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THE HONOURABLE DANIEL HAYS SPEAKER



## CONTENTS

(Daily index of proceedings appears at back of this issue).

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## THE SENATE

Tuesday, May 17, 2005

The Senate met at 2 p.m., the Speaker in the chair.

Prayers.

## VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, before proceeding to Senators' Statements, I would like to draw your attention to the presence in the gallery of His Excellency Dr. Saleh Abdullah Bin Hemeid, President of the Shura Council of the Kingdom of Saudi Arabia. He is accompanied by seven members of the Majlis Al Shura, and by the Saudi ambassador to Canada, Mohammed Al-Hussaini.

Welcome to the Senate of Canada.

## SENATORS' STATEMENTS

## HER MAJESTY QUEEN ELIZABETH II HIS ROYAL HIGHNESS PRINCE PHILIP, DUKE OF EDINBURGH

WELCOME TO CANADA

Hon. Jack Austin (Leader of the Government): Honourable senators, on behalf of the Senate of Canada, I am pleased to welcome to Canada today Her Majesty Queen Elizabeth II and His Royal Highness Prince Philip, the Duke of Edinburgh.

The Royal Party will arrive in Regina, Saskatchewan this afternoon and will be met by Prime Minister Paul Martin and Ms. Martin. The Royal Party will visit Saskatchewan and Alberta from May 17 to May 25 in order to take part in events to celebrate the centennial of the two provinces' entry into Confederation. This is the third visit of Her Majesty and Prince Philip to Saskatchewan and Alberta. They also toured the provinces in 1973 and 1977.

As the first dominion within the British Empire and the first country to join the Commonwealth in 1867, Canada has been especially fortunate to benefit from the traditions of the British monarchy. The history of Canada has evolved under the aegis of the British monarchy, which has bequeathed us a gift of incalculable value, the Westminster model of Parliament, perhaps the most successful form of government for providing effective democracy and accommodating civil debate.

The Queen has been in attendance at celebrations marking the centenary of the entry into Confederation by Manitoba, British Columbia and Prince Edward Island, as well as the centennial of the Northwest Territories. As Princess Elizabeth, she and Prince Philip first came to Canada in October 1951 and have since returned over 20 times. She has presided over the opening of the St. Lawrence Seaway, the patriation of our Constitution and the creation of Nunavut.

Her interest in our country is shared by other members of the Royal Family who have been in attendance with her and have undertaken their own visits to significant cultural and historical events in Canada. From May 31 to June 8, Prince Edward, the Earl of Wessex, will also be visiting Canada.

The Canadian people have always held the Queen in the highest regard for her continued personal interest in our welfare and prosperity. We have close ties with this monarchy that have been strengthened by the hardship of war endured by both countries and the shared values that are so integral to our nation. It should be noted that Prince Philip was an active member of the military during World War II. Both Prince Charles and Prince Andrew have military training, and with Prince Harry the tradition continues. This is particularly significant as Canada celebrates this year as the Year of the Veteran.

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, on behalf of the opposition in the Senate of Canada, I wish to associate my colleagues and myself with the words of welcome expressed by the Leader of the Government in the Senate to Her Majesty and Prince Philip on their visit to Canada.

Our country has been blessed by having Her Majesty and other members of the Royal Family always prepared to demonstrate in such exemplary fashion what duty and public service is all about and to do so with great dignity.

I know that my colleagues from the other place, particularly the members of Parliament from the province of Saskatchewan and the leader of Her Majesty's Loyal Opposition, will be in Saskatchewan also to more personally welcome Her Majesty.

## ATLANTIC INSTITUTE FOR MARKET STUDIES

# CONGRATULATIONS ON RECEIVING THE TEMPLETON FREEDOM AWARD FOR INSTITUTE EXCELLENCE

Hon. Terry M. Mercer: Honourable senators, the Atlantic Institute for Market Studies, AIMS, is an independent economic and social policy think tank based out of Halifax, Nova Scotia. As a federally incorporated non-profit organization, it is supported by contributions from individuals, corporations, foundations and other organizations. AIMS embodies a distinctive Atlantic Canadian voice by initiating and conducting research on emerging economic and public policy issues facing Atlantic Canadians and indeed all Canadians.

Honourable senators, AIMS is celebrating its tenth anniversary this year. It is fitting that it has again received international recognition for the excellence of its work with the awarding of the 2005 Templeton Freedom Award for Institute Excellence.

The Templeton Freedom Awards Program celebrates the outstanding work of the top non-profit research institutes and their contribution to policy issues. More than 200 think tanks in 67 countries are eligible for the Templeton Awards, and AIMS is the only institute in North America to be honoured this year.

The award includes a grant of US \$10,000 and was presented at the end of April in Miami, Florida during the Liberty Forum of the Atlas Economic Research Foundation. This forum is an annual event that attracts influential policy and thought leaders from around the world.

Honourable senators, I take this opportunity to extend my sincere congratulations to AIMS President Brian Lee Crowley, as well as to the members of the board of directors, including such distinguished Haligonians as David Mann, George Cooper, Dr. Colin Dodds and Bill Mingo. I am sure all senators will join me in celebrating the ongoing domestic and international success of an important voice for Atlantic Canada.

(1410)

## RELATIONS WITH SAUDI ARABIA

Hon. Marcel Prud'homme: Honourable senators, I would like to join with the Leader of the Government in the Senate in welcoming Her Majesty Queen Elizabeth II, Queen of Canada, and Prince Philip. I have pledged allegiance to her 16 times. I am still very happy to show my loyalty by repeating that she is at home here. I hope Canadians will treat her as she deserves.

I was made a member of the Queen's Privy Council by her own hand. Not many senators in this chamber can claim that distinction. Having said that, I wish her a good time and happiness.

Earlier, His Honour introduced the Saudi Arabian delegation of the Shura and the head of the Shura Council. Theirs is a return visit, at long last, following a trip to Saudi Arabia made by a delegation of this chamber from January 18 to 25, 2001, accompanied by our beloved former Speaker Gildas Molgat.

I had the honour of visiting Saudi Arabia in 1993, 2000 and 2001. I believe strongly that we must continue the dialogue with our friends from around the world, Saudi Arabia being one such friend. We must share with them our own experiences, not tell them what to do.

I remember the inception of the Shura in 1980 with its 30 seats, and since then it has grown in stature. A colleague of ours was in Saudi Arabia recently and compared our Senate and the Shura of Saudi Arabia, saying, "My God, it looks like the Senate of Canada." Yes, indeed, it does, but there are many things that are not the same. They will come in due time.

I want to re-emphasize that members of the Shura are welcome in this country and in the Parliament of Canada.

At this time, I wish to salute the President of the Shura Council so that his name will be printed in the *Debates of the Senate*. His Excellency Saleh Abdullah Bin Hemeid has great academic qualifications and has had many great professional experiences. He has participated in and lectured at many conferences and symposia, and has published a number of academic works.

Honourable senators, I welcome my dear friend to the Senate chamber. I am very happy that he has at long last come to visit us in Canada.

## **BRITISH COLUMBIA**

VANCOUVER—ST. JAMES COMMUNITY SERVICES SOCIETY ART PROGRAM—EXHIBIT IN SENATE FOYER

Hon. Mobina S. B. Jaffer: Honourable senators, I rise to tell you about an art exhibition, entitled "Moving Beyond our Challenges," that I am honoured to be hosting today and tomorrow in the Senate foyer.

As an honorary patron of St. James Community Services Society, I have personally seen the challenges faced by many of the artists and individuals helped by St. James.

St. James is an organization in the downtown east side of Vancouver that strives to provide support for people who face multiple challenges in life, including mental illnesses such as schizophrenia, while recognizing the need to help each individual they serve to see their own value as a person. The art program allows these individuals to overcome their challenges and express themselves in art.

Honourable senators, I know you are firm believers that a little recognition goes a long way in helping people to overcome their challenges. We all face challenges, but many of the artists featured here have and continue to overcome more than their share of challenges.

To help honourable senators understand the challenges faced, I would like to share with you the story of Carmen. She moved into Victory House, a safe home for 48 residents with chronic mental illness, in 1998. She had been living on the streets and in various downtown East Side hotels in the worst part of Vancouver. Her diagnosis was schizophrenia and her symptoms were self-neglect, belligerence, poor compliance with medications and yelling at night. For these reasons, she was constantly being kicked out of her accommodations.

In her first days at Victory House, Carmen would walk the streets during the day, waiting for bread and soup in the food lineups. She would refuse to take her medication and would not socialize. It took about two years to slowly build up a relationship with her where she was able to trust somebody.

Today, Carmen eats three meals a day. She has joined St. James' drama group and she sits down in the lounge to "people watch."

The best news is that Carmen has started to paint. With money from St. James' fundraising, canvas and paints were bought for Carmen and other artists to use. She started to express herself through her art and then verbally when approached.

Carmen's paintings are truly amazing. Her landscapes show castles, Saskatchewan wheat fields and Polynesian lagoons. She has been able to capture some of the wonderful insights and pictures only a schizophrenic can conjure. How beautiful it is that she is able to share these images on canvas.

Carmen and the artists at St. James are an example for us all. I invite senators to come to the exhibit to see their amazing work. Honourable senators will also have an opportunity to meet Sandra Smith, one of St. James' artists, who is in the gallery today, along with Jan Volker and Erin McNeill, who are representing St. James Community Services Society.

I am pleased today to not only be able to share these wonderful works of art with my colleagues in this chamber, but also to share our wonderful institution with the artists and the Canadian public.

I also want to thank the Usher of the Black Rod, Terrence Christopher, for his invaluable help in making this event possible.

[Translation]

#### **KUWAIT**

## WOMEN GRANTED RIGHT TO VOTE

Hon. Rose-Marie Losier-Cool: Honourable senators, I will take a few moments to draw to your attention a news item I was delighted to see in today's papers. Last week, when I spoke to you of Millennium Development Goal number 3 and the importance of women in politics, I pointed out that there were still three countries left in the world where women could neither vote nor run for office.

This morning I am pleased to be able to revise that statement, because yesterday, May 16, the parliament of one of those countries passed a law allowing its women to vote and to run for office. That country, honourable senators, is Kuwait. In 2007, when that country's next election is scheduled to take place, we will see women in the political arena for the first time. There will be one condition: these women will have to respect the law of Islam. Since the Koran can be interpreted as already giving women their rightful place, I am confident that this requirement will not in any way prevent the women of Kuwait from taking their place in the political arena. After all, they are already occupying senior positions in the oil industry, education and diplomacy.

Honourable senators, the international community of parliamentarians to which we belong can congratulate itself for helping to change attitudes and spread democracy the world over.

[English]

## THE LATE JUDGE ALAN B. GOLD, Q.C.

Hon. Joan Fraser: Honourable senators, this morning, funeral services were held in Montreal for a truly extraordinary man, Judge Alan B. Gold.

[Translation]

Judge Gold was born in 1917 in Montreal. One would never have guessed his age because he was so strong and full of energy

right to the end of his life. He studied law at the Université de Montréal, even though he was an anglophone, and he specialized in labour relations, in addition to teaching at McGill University.

[English]

He became a noted and respected lawyer, known to all as Judge Gold because he was Chief Justice of the Superior Court of Quebec from 1983 until 1992, during which period he notably did mighty work to reduce the delays and backlogs besetting that court. He knew that justice delayed is justice denied.

He was, however, most famed as an arbitrator and mediator: in labour relations, in the Quebec Public Service, in the Port of Montreal, in the post office, in rail strikes, and also in great public matters that went beyond labour relations. I think notably of the dispute at Oka and of the spoiled ballots affair after the last referendum in Quebec. He was Chairman of McGill University, Chancellor of Concordia University and Associate Governor of the University of Montreal, which indicates some of his dedication to the cause of higher education, as to many other causes.

• (1420)

Our family came to know him when our children and some of his grandchildren became friends. Through that connection, our family has attended for some years the same Seder and other religious celebrations that the Golds attended. On those occasions, I became aware of his immense intelligence and his deep love and understanding of the law and human nature and the way in which our societies work. He was a man of wry wit and great warmth, qualities he shared with his wife, Lynn.

I am sure senators will join with me in extending sympathies to Lynn and all of her family. Canada lost a great citizen when Judge Gold died.

## ROUTINE PROCEEDINGS

## MIGRATORY BIRDS CONVENTION ACT, 1994 CANADIAN ENVIRONMENTAL PROTECTION ACT, 1999

BILL TO AMEND—REPORT OF COMMITTEE

Hon. Tommy Banks, Chair of the Standing Senate Committee on Energy, the Environment and Natural Resources, presented the following report:

Tuesday, May 17, 2005

The Standing Senate Committee on Energy, the Environment and Natural Resources has the honour to present its

## SEVENTH REPORT

Your Committee, which was referred Bill C-15, An Act to amend the Migratory Birds Convention Act, 1994 and the Canadian Environment Protection Act, 1999, has in

obedience to the Order of Reference of Wednesday, February 2, 2005, examined the said Bill and now reports the same without amendment, but with observations, which are appended to this report.

Respectfully submitted,

## TOMMY BANKS Chair

(For text of observations, see today's Journals of the Senate, p. 913.)

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Banks, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

# STUDY ON ISSUES RELATED TO NATIONAL AND INTERNATIONAL OBLIGATIONS

INTERIM REPORT
OF HUMAN RIGHTS COMMITTEE TABLED

Hon. A. Raynell Andreychuk: Honourable senators, I have the honour to table, in both official languages, the eighteenth report of the Standing Senate Committee on Human Rights, an interim report entitled, Canadian Adherence to the American Convention on Human Rights: It is time to proceed.

On motion of Senator Andreychuk, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

## CANADA-AFRICA PARLIAMENTARY ASSOCIATION

THIRD SESSION OF PAN-AFRICAN PARLIAMENT, MARCH 29-APRIL 1, 2005—REPORT TABLED

Hon. A. Raynell Andreychuk: Honourable senators, pursuant to rule 23(6), I have the honour to table, in both official languages, the report of the Canadian delegation of the Canada-Africa Parliamentary Association on its visit to South Africa on the occasion of the Third Session of the Pan-African Parliament held in Midrand, South Africa, from March 29 to April 1, 2005.

## **QUESTION PERIOD**

## **FINANCE**

CHANGES TO BUDGET 2005— NEW BRUNSWICK—EFFECT ON REFURBISHING POINT LEPREAU NUCLEAR POWER PLANT

Hon. Donald H. Oliver: Honourable senators, my question is for the Leader of the Government in the Senate. In the weekend newspaper, I read a report by the Minister of Finance, the Honourable Ralph Goodale, in which he did an accounting of the cost of government measures announced since his budget. These essentially show that, counting the NDP budget measures, there is exactly \$2 billion left this year and exactly \$2 billion left next year for debt reduction. The condition for proceeding with the NDP spending was that at least this amount would be available at the end of the fiscal year.

Will the leader confirm that under the terms of the government's deal with the NDP any new measures announced from this time forward will have the effect of leaving the government unable to fulfill all of its commitments to Mr. Layton?

Hon. Jack Austin (Leader of the Government): Honourable senators, I cannot confirm that that is the case. The arrangement contained in Bill C-48, which has been tabled in the other place, makes it clear that the government is not prepared to enter into a deficit in order to carry out the provisions of Bill C-48. The government will maintain its contingency measures and any funds surplus to those contingency measures will be applied to the provisions of Bill C-48.

Senator Oliver: On May 4, 2005, the Moncton Times and Transcript newspaper carried a story that stated:

The Liberal four point six billion dollar budget deal with the NDP has made it more difficult for the federal government to find money to help New Brunswick refurbish Atlantic Canada's only nuclear power plant, says Finance Minister Ralph Goodale.

Money for the NDP deal will likely come from the around nine billion dollars in money the federal government has set aside as a contingency fund over the next two years, the same money the finance minister said would be used in a possible bail out package for the province.

Will the Leader of the Government in the Senate confirm the accuracy of the finance minister's assertion? Has the NDP budget deal put any federal contribution to the refurbishing of the Point Lepreau nuclear power plant in jeopardy?

Senator Austin: Honourable senators, I do not believe that the proposed contribution to the refurbishing of the Point Lepreau nuclear power plant and the government's arrangements as expressed in Bill C-48 are associated with one another.

As honourable senators are aware, questions of electric power generation in the provinces are entirely the responsibility of the provinces and not the responsibility of the federal government. However, the federal government has been willing to discuss a role for Atomic Energy of Canada, whose technology is used at Point Lepreau. A contribution toward refurbishment is contemplated if that technology agreement can be reached. However, the refurbishing is being deterred by the fact that the parties are not in agreement with respect to financial responsibilities.

• (1430)

## ATOMIC ENERGY OF CANADA LIMITED

## APPROACH TO MARKETING NUCLEAR TECHNOLOGY

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I have a supplementary question. The Point Lepreau nuclear power plant has a CANDU reactor. Is the Government of Canada exploring the linkages in terms of contemporary and cutting-edge technology in this area, such that the opportunities of participating in the refurbishing of Point Lepreau speaks equally, if it is new technology in that refurbishment, to the inevitable refurbishment, indeed, potential sales of the new generation of CANDU reactors beyond Canadian borders?

Hon. Jack Austin (Leader of the Government): The short answer to the honourable senator's question is yes, but with some explanation. There are new technologies, which Atomic Energy of Canada wants to introduce into actual operation, and discussions are under way both with the Province of New Brunswick and with other countries with respect to the use of that new technology. One of the questions is, who bears the risk of demonstrating that new technology? It would be less expensive for the Province of New Brunswick to refurbish Point Lepreau with more conventional, off-the-shelf CANDU technology.

I regret to say that I cannot take us too much further into the details of that negotiation at this stage.

Senator Kinsella: Honourable senators, I am sure the minister would agree, and I would invite his comment on the following. Beyond the synergy between Atomic Energy, the research community and the programs relating to the refurbishing of the various CANDU reactors in Canada, as a matter of policy, it would be in the national interest to reflect the latest views on environmental issues on clean power, on issues of new technology dealing with spent nuclear fuel and generally on cutting-edge advances around the technology. Tremendous advances have been made compared to the available technology when the CANDU reactors were built, the ones in this province of Ontario and the Lepreau one. We need some assurance that there is a holistic view taken that includes the environmental policy issues, as well as the research and development and financial issues around Atomic Energy.

Senator Austin: Honourable senators, I am, in general, advancing my own views in the same direction as Senator Kinsella. What we have seen recently is an enhanced understanding among producers of energy and environmentalists that nuclear power has an important role to play. As that understanding develops, and I hope it will, Canada will be able to advance the CANDU version of nuclear power generation.

As all of us know, nuclear power adds nothing to the air; it does not pollute the environment The major problem with any kind of nuclear power generation is what to do with the spent nuclear fuels. Canada has a lot of Precambrian Shield, which has not moved for 4 billion years and therefore is probably a safe repository of these fuels.

I should like to make clear the dichotomy between federal and provincial responsibilities in this area. Provinces are responsible for the production and distribution of power within themselves; as well, provinces have opportunities to wield that power to other markets.

The federal government has an investment in the nuclear power industry, and it is a very old one. Ever since Canada became a nuclear power, in the sense that we had the technology to make energy from nuclear production and to make atomic bombs, it has developed an enormous expertise. AECL now has what it calls a green project, and it looks extremely promising.

I think Senator Kinsella and I would agree that Canada needs to continue to advance its place in the international community as a developer of nuclear power for electricity and civilian uses. I hope these negotiations with the Province of New Brunswick can realize a successful project at Point Lepreau.

#### NEW BRUNSWICK— FINANCIAL TERMS FOR REFURBISHING POINT LEPREAU NUCLEAR POWER PLANT

Hon. Lowell Murray: Honourable senators, I am not nearly as well informed as the two leaders are on the technical aspects of these negotiations, but I am very interested in the financial aspects. The government leader will recall, because he was Deputy Minister of Energy at the time, that when New Brunswick entered the nuclear power field, the federal government lent the province half the money for the construction of Point Lepreau.

Prior to that, when Ontario and Quebec entered the nuclear power business, the federal government was extremely generous, more generous than it was later with New Brunswick, to encourage them, for obvious reasons, to get into the field. More recently, as the minister will recall, the Chrétien government offered extraordinarily generous terms to China to encourage that country to purchase the CANDU reactor.

I should like to know what financial terms are being offered to New Brunswick by the federal government. Would those financial terms be at least as generous as those that the federal government is willing to offer foreign countries?

Hon. Jack Austin (Leader of the Government): Honourable senators, I think it is obvious to all that I am not in a position to disclose the nature of financial negotiations with respect to the refurbishment of Point Lepreau, or indeed at any time with respect to the sale of CANDU technology. Those are proprietary and commercial negotiations in nature.

I can confirm that Senator Murray is right; the federal government of the day gave Ontario attractive financial terms in order to induce it to be the first user of CANDU technology. I think that is within the normal commercial practice.

With respect to China, Canada has successfully overseen the construction and operation of two 600-megawatt CANDU reactors near Shanghai. The fact that that project was delivered on time and on budget has opened the opportunity for Canada to approach China with respect to subsequent purchases.

The funding by Canada was a \$1.5-billion loan, which, under the arrangements, is being repaid and is expected to be totally repaid. There is no funding there in the nature of grant or concession.

Honourable senators, none of this reflects directly on Point Lepreau, but I can assure you that, with a long-standing interest in nuclear energy, I would like to see a successful conclusion between the Government of the Province of New Brunswick and AECL and the Government of Canada to refurbish Point Lepreau and put it back into commission.

Senator Murray: If the minister does not want to indicate what the federal government is offering New Brunswick, can he state on the record what it is New Brunswick has asked for from the federal government?

• (1440)

Senator Austin: No, honourable senators, that is simply the same side of the same issue.

[Translation]

## SOCIAL DEVELOPMENT

## NEW BRUNSWICK—AGREEMENT ON CHILD CARE

Hon. Pierrette Ringuette: Honourable senators, my question deals with the announcement by Premier Lord cancelling a meeting to sign an agreement for a new child care services program in New Brunswick.

The people in northwestern New Brunswick, whom I met with last weekend, are scandalized that a nuclear program would be put on the same footing with a program for child care. In addition, the Prime Minister indicated that he would put the agreement for the transfer of the federal gasoline tax to municipalities on the same level.

Can the Leader of the Government in the Senate confirm to me that the Prime Minister will continue discussions with the authorities in New Brunswick to ensure that children in New Brunswick enjoy the same benefits as children in other provinces in terms of federal grants?

[English]

Hon. Jack Austin (Leader of the Government): Honourable senators, I want to make it clear that the Government of Canada has no higher priority than to conclude an agreement on daycare with the Province of New Brunswick, as it has done with the Province of Newfoundland and Labrador, the Province of Nova Scotia, and with other provinces.

There is a specific commitment in the budget, Bill C-43, which is in the other place, to fund up to \$5 billion as a first stage with respect to child care and daycare. Honourable senators, I know all members of this place would like to see that budget passed.

## FINANCE

## CHANGES TO BUDGET 2005—EFFECT ON QUEBEC

Hon. Marcel Prud'homme: If by chance there were no election, can the government leader give us any assurance that, given the rate at which these programs are being announced and the fact that they will have to be delivered, there will be money left in the kitty for the development of programs with the Province of Quebec?

Hon. Jack Austin (Leader of the Government): Honourable senators, I do not think the Province of Quebec has any concerns.

## **ELECTIONS CANADA**

## SASKATCHEWAN—CONTRIBUTIONS FROM FEDERAL LIBERAL PARTY TO PROVINCIAL LIBERAL PARTY

Hon. David Tkachuk: Honourable senators, a sum of nearly \$93,000 in anonymous donations from the Liberal Party of Canada has found its way into the coffers of the provincial Liberal Party in Saskatchewan. Would the Leader of the Government in the Senate agree that such donations are a violation of the Canada Elections Act?

Hon. Jack Austin (Leader of the Government): I have no idea whether the statements made by Senator Tkachuk are accurate.

**Senator Tkachuk:** Is the Liberal Party of Saskatchewan using the Liberal Party of Canada to avoid revealing the names of the donors?

Senator Austin: I have no idea what Senator Tkachuk is talking about.

Senator Tkachuk: I do not fault the government leader for not reading the papers in my province, but this is not the latest news. This issue has been raised by members of the Legislative Assembly in the Province of Saskatchewan. I would ask the government leader to seek information related to this issue, and, in particular, to ascertain whether the Canada Elections Act is being contravened.

Senator Austin: Honourable senators, I will leave that to the processes that are normal in cases of an alleged breach of the Canada Elections Act.

While I am on my feet, I wish to advise the chamber that I am honoured to be designated by the Prime Minister as Minister-in-Attendance on Her Majesty during her visit to Regina and Saskatoon on May 18 and 19. This opportunity has been created by the requirement that the previously designated Minister-in-Attendance, the Honourable Ralph Goodale, be in Ottawa for a confidence vote on May 19.

Senator Tkachuk: The government leader raised the issue of the Queen. I am wondering whether members on this side who are going to see the Queen — and I am not of them — would be able to hitch a ride, or is the government leader travelling via Air Canada?

Senator Austin: Yes, I am flying via Air Canada. The flight leaves for Toronto at seven o'clock, and leaves Toronto for Regina at nine o'clock. I would be very happy to have Senator Tkachuk as my seatmate.

**Hon. Gerry St. Germain:** I would be totally shocked if the government leader were to take anybody from the opposition, but that is a good sign.

Senator Austin: Not just anybody.

Senator Tkachuk: No, not just anybody.

Senator Kinsella: They have been taking from Canadians too long.

#### AGRICULTURE AND AGRI-FOOD

#### PROBLEMS IN FARM COMMUNITY

Hon. Gerry St. Germain: Yesterday, the Lanark Landowners Association held a protest on Parliament Hill to bring attention to the plight of farmers and rural Canadians. Clearly, this protest is another signal of the frustration many Canadian farmers have with current circumstances and government policies. Will the Leader of the Government in the Senate please tell us whether his government has any immediate concrete plans to further address the problems faced by Canadian farmers in the rural economy—over and above what the government has already done? Obviously, these people would not be reacting as they are if they did not require help?

Hon. Jack Austin (Leader of the Government): Honourable senators, the easiest issue to understand in agriculture today is the enormous loss of income by our total farm community. We have seen billions of dollars lost in the grain industry and in the cattle industry.

The government, as Senator St. Germain infers, has supported the agriculture industry with virtually \$3 billion, to underwrite losses that have been sustained by the cyclical nature of that industry.

I wish to take this opportunity, because the honourable senator has asked me about this matter before, to say that with respect to BSE and the actions taken by R-CALF in the United States in a legal forum in the state of Montana, the hearing is planned for July 2005. The Government of Canada and the leaders in the cattle industry are now aware that, while the United States Department of Agriculture supports the unqualified opening of the border for live cattle 30 months and under, the court process may take up to two years to deal with the matter.

Honourable senators will realize that both, in the cattle industry and elsewhere, the Government of Canada will have to provide additional assistance, given the time that it may take to see a solution.

# BOVINE SPONGIFORM ENCEPHALOPATHY—AID TO CATTLE INDUSTRY—CULLING OF OLDER ANIMALS

Hon. Gerry St. Germain: The government leader has scooped my supplementary question. Premier Ralph Klein has speculated that litigation from the U.S. protectionist ranchers will keep the border closed for two years. That is his statement.

The suggestion that has come forward from this side, both in the other place and here, from me, is the rationalization of the older part of the herd. To me, that would be a major step forward in diffusing R-CALF in their aggressiveness respecting shipment of our cattle into the U.S., because it would virtually eliminate the possibility of any BSE cattle being left in Canada. Will further consideration be given to that aspect of the cattle industry?

• (1450)

Hon. Jack Austin (Leader of the Government): I assure the Honourable Senator St. Germain that I had not seen a copy of his question today, but I anticipated that he would be interested in the subject because he has been pursuing the matter. The reason I gave the answer is that, obviously, if the issue is not to be solved for at least another two years, we will have an even larger inventory of over 30-month live cattle on our hands. This issue has become front and centre in government discussions with the cattle industry.

Honourable senators should also be aware that R-CALF is also trying to close the border for boneless cuts from animals under 30 months. Their legal action has added that particular request to the court action before Judge Richard Cebull in Montana. I am advised that approximately 60 per cent of our previous exports are maintained by the export of boneless cuts from animals under the age of 30 months. If that market were to be closed by court action in the United States, it would wreak havoc on our cattle industry and change our situation to a major economic crisis.

## **INTERNATIONAL TRADE**

BOVINE SPONGIFORM ENCEPHALOPATHY— CLOSURE OF UNITED STATES BORDER TO CANADIAN CATTLE— INTERVENOR STATUS IN MONTANA COURT CASE

Hon. Gerry St. Germain: Is it normal for the Government of Canada to take intervenor status? Have we taken that position or are we just letting this process go ahead on its own?

Hon. Jack Austin (Leader of the Government): We applied for amicus status — that is, friend of the court status — and the court refused. As Senator St. Germain indicates, it is not normal for any government to stand as a party in an action between or among litigants such as this — all American litigants. It is not normal for Canada or foreign governments to submit themselves to cross-examination and production of documents in such cases. The case in the Montana courts is entirely between the United States Department of Agriculture, which is trying to maintain its rule, and the actions of R-CALF.

## DELAYED ANSWER TO ORAL QUESTION

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour of presenting a delayed answer to an oral question raised in the Senate on May 3, 2005, by Senator Kinsella, concerning the new Canadian embassy currently being constructed in Berlin, Germany.

## FOREIGN AFFAIRS

## GERMANY—NEW EMBASSY

(Response to question raised by Hon. Noël A. Kinsella on May 3, 2005)

QUESTION 1 — Was the Minister of Foreign Affairs at the opening of the new Canadian Embassy in Berlin on April 29? If not, why not?

The Minister was at the Third Ministerial Conference of the Community of Democracies in Santiago, Chile, on April 29, 2005.

QUESTION 2 — What was the cost of the new Embassy?

The total Treasury Board-approved cost to Canada is \$101,205,888.00, including site acquisition, design and construction, project delivery, contingencies and reserves. The final cost to Canada is expected to be less than the approved budget, or approximately \$100 million.

QUESTION 3 — Has the Canadian government given up control over embassy property for commercial considerations?

No. Most of Canada's missions around the world are in multi-tenant facilities and ensuring the security of all Canada's facilities abroad is always a priority. In Berlin, the building is constructed in such a manner that the Embassy essentially occupies one tower in a three tower complex. The Embassy space is not accessible from the other areas of the facility. The Embassy is also equipped with all necessary security devices and counter-measures. Security specialists have been involved in the planning of the facility from the outset and all appropriate measures have been taken. Canada retains ownership of the land.

QUESTION 4 — What are the terms and conditions of the agreement with Hannover Leasing governing the latter's ability to lease space in the embassy building to organizations or entities about whom Canadian intelligence agencies might have concerns?

Canada was successful in its negotiations with the developer to include a veto clause in the contract under which the developer must provide prior notice to Canada of its intent to lease space to a given entity, whether commercial, retail or residential, and Canada has the right to veto the proposed lease.

QUESTION 5 — Is there a 150 per cent cost overrun for the Canada House project in Berlin?

The project is actually under budget. The Treasury Board approved budget cost objective is \$101.2 million and we expect the final cost to be less than \$100 million. There is no cost overrun.

QUESTION 6 — How does the cost of construction for the new Berlin Embassy building compare with the costs for the Washington and Tokyo embassies?

The total cost of construction (not including land purchase and fit-up) for the Berlin project will be approximately \$70 million. This includes both the diplomatic embassy and the private sector commercial components. Since the embassy occupies approximately half the total public-private facility, the construction cost of the embassy alone is approximately \$35 million. In comparison, the Washington embassy cost of construction was \$67.5 million in 1988. This is equivalent to approximately \$110 million in 2005 dollars. The Tokyo embassy cost of construction was \$128.3 million in 1991, or approximately \$200 million in 2005 dollars.

## THE SENATE

## TRIBUTE TO DEPARTING PAGES

The Hon. the Speaker: Honourable senators, before calling Orders of the Day, I would like to draw your attention to Senate pages who will be leaving the program this year, and it is my pleasure to introduce three of those pages who will be leaving today.

The first is Christopher Reed, who is from Halifax, Nova Scotia. He has recently completed his BA Honours in Canadian political science with a minor in history. He hopes to attend law school this fall with the possibility of serving Canada as a naval legal officer. Knowing that nothing is for certain, Christopher is also interested in continuing to work at the Senate. Christopher has greatly enjoyed his time as a page and wishes everyone the very best in the future.

## [Translation]

Maxe Joanisse-Blackmore of Saskatchewan is delighted with his experience as a page in the Senate. The lessons learned in the Senate will surely help him to achieve his dream of becoming a lawyer specializing in medical law and to play a role in developing health policies, later in his life, as a politician.

Maxe would like to express his thanks to the pages program and to all those who have contributed to his development.

## [English]

Finally, Clinton Unka is from Yellowknife, Northwest Territories. Upon completion of his political science degree at Carleton next year, he will be taking some time to travel to Europe and other exotic destinations. Clinton is also gaining a better understanding of politics, not only at the federal level but for the enhancement of Northern development and Aboriginal leadership within his community.

He would also like to thank his peers and the influential people in the Senate who have made his experience here during the last two years worthwhile and memorable.

[Translation]

## ORDERS OF THE DAY

## **CRIMINAL CODE**

BILL TO AMEND—THIRD READING

Hon. Jean Lapointe moved third reading of Bill S-11, to amend the Criminal Code (lottery schemes), as amended.

He said: Honourable senators, today I ask you to support this bill and to send it to the other place immediately. Honourable senators, at this moment, as I am speaking to you, many thousands of our fellow citizens are pouring their last savings into those diabolic machines known as video lottery terminals.

It is not my intention to describe all the atrocities that these machines inflict on the population, but each day they attack new people and, with a stroke, create new pathological gamblers. That is why it is urgent to adopt Bill S-11, thus saving many thousands of human lives.

I would add, in closing, that not only will we improve the quality of life of Canadians, but at the same time we will save hundreds of millions of dollars for both levels of government.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to and bill read third time and passed.

[English]

## NATIONAL BLOOD DONOR WEEK BILL

SECOND READING—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Milne, seconded by the Honourable Senator Christensen, for the second reading of Bill S-29, respecting a National Blood Donor Week.—(Honourable Senator Stratton)

Hon. Catherine S. Callbeck: Honourable senators, this item stands in the name of Senator Stratton, who has yielded so that I may speak at this time.

It is a great pleasure to rise in support of Bill S-29, and I certainly agree with the comments that were made last week by Senator Milne when she spoke on behalf of Senator Mercer on this legislation.

This bill purports to designate the second week in June as National Blood Donor Week. With the enactment of Bill S-29, Canada will join with 192 member states of the World Health Organization and over 200 volunteer blood donor organizations around the world who already celebrate World Blood Donor Day on June 14 of each year. That date would be one of the highlights of National Blood Donor Week in Canada.

• (1500)

Donors and volunteers, through their selfless acts, are making an invaluable contribution to the health and wellbeing of their fellow citizens. Every minute of every day, even as we speak, someone in Canada needs blood. By giving the gift of life, donors become the everyday heroes of their communities.

It is said that every donation of blood has the potential to save three lives. Although donors and volunteers will never know the lives they have touched, they can rest assured in the knowledge that their gift will make a huge difference in the lives of those who depend upon that gift of life. They can be justifiably proud that their selfless acts have given renewed help and hope to others.

The gift of blood is a truly selfless act. Donations of blood are completely voluntary in Canada. That achievement in itself is worth celebrating, and it is a tribute to the values we share as a people.

Over the years, Canadians have responded to the challenge. They have responded to the challenge because caring and compassion are part of our Canadian way of life. There is a tradition in this country of helping one's fellow citizens. By designating the second week of June as National Blood Donor Week, we recognize and celebrate those who have quietly and literally given a part of themselves to others.

Donors and recipients will never meet one another, and yet the bonds of community are strengthened because of these selfless acts of generosity, the giving of one part of oneself so that others might live. We need to recognize and celebrate these gifts.

There are, as well, some practical and pragmatic reasons for increasing public awareness and understanding of the importance of donating blood. Today, less than 4 per cent of eligible Canadians actually donate blood every year, and yet the demand for blood and blood products is rising. Advances in medical science and more aggressive treatments have resulted in a growing need for these products.

According to the Canadian Blood Services Agency, roughly 137,000 people are treated for cancer every year. Cancer patients often need blood to survive their treatments. The number of transplants has increased from 16 in 1 million Canadians in 1981 to 59 per 1 million Canadians in 2000. These include kidney, liver, heart, lung and bowel transplants, all of which are lengthy and complex procedures requiring significant amounts of blood. New advances in treatment for a wide range of other diseases and injuries have also given rise to new demands for blood.

Given the huge need for blood supplies and the invaluable contribution they make to saving lives and restoring health, it is a small sacrifice to be a donor, to give the gift of life. I hope that by declaring National Blood Donor Week, many more Canadians will be inspired to become donors and to help ensure that the rapidly rising needs continue to be met.

I would also like to recognize the invaluable contributions by the Canadian Blood Services and Héma-Québec, who are managing the blood supply system in this country. Since the inception of these two organizations in 1998, confidence in the safety and integrity of the blood system has been restored. In addition to effective screening and testing, the goal of safety is reflected in the way that the blood supply is collected, maintained and regulated. At the same time, they are on the leading edge of innovation, meeting new needs in the fields of transfusion and transplantation.

Canadians can be fully confident about the policy, management and operation of the blood supply system in this country. I congratulate these two organizations for the excellent work they are doing and for their dedication and commitment as an integral part of the health care system.

Honourable senators, we need to recognize and celebrate the givers of blood, the givers of life. I hope the passage of this bill will not only recognize and celebrate those who donate but that it will also inspire many others to do likewise. We need to meet the challenge of ensuring that a safe and life-giving supply of blood will be there when needed for our neighbours, our families, our fellow citizens or even ourselves. I ask all senators to join with me in supporting this bill.

On motion of Senator Stratton, debate adjourned.

## AGRICULTURE AND FORESTRY

COMMITTEE AUTHORIZED
TO MEET DURING SITTING OF THE SENATE

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, with leave of the Senate, I move:

That the Standing Senate Committee on Agriculture and Forestry have power to sit at 4 p.m. today, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

The Hon. the Speaker: Is leave granted, honourable senators?

[Translation]

Hon. Marcel Prud'homme: Honourable senators, one day, somebody will answer that question with a "No." There are other committees, such as the Standing Senate Committee on Foreign Affairs, that might want leave to sit while the Senate is in session. We could soon run the risk of suggesting that it is not the Senate that is important but the committees.

I recognize that committees are very important; however, in my opinion, first and foremost, it is the Senate that has priority.

[English]

I will agree to the motion, but again, I will get up to speak every time permission to sit is requested, even if the motion relates to my own committee. Our first duty is to be here in this chamber. If the Foreign Affairs Committee were to request leave to sit and I were to have a bill standing in my name on the Order Paper, one I wished to debate, what would I do? Would I forget about my bill to attend the committee meeting, or would I stay in the chamber? I will not object today, but someday, someone is bound to say no to these leave requests.

The Hon. the Speaker: I take it leave is granted, honourable senators.

Senator Rompkey: I want to assure Senator Prud'homme that we do not move such motions without thought. This afternoon, I understand that a minister is available to meet with the committee. It has been our usual practice when ministers are available that we try to accommodate them.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.

## CANADA ELECTIONS ACT

BILL TO AMEND—SECOND READING—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Harb, seconded by the Honourable Senator Mercer, for the second reading of Bill S-22, to amend the Canada Elections Act (mandatory voting).—(Honourable Senator Austin, P.C.)

Hon. Jack Austin (Leader of the Government): Honourable senators, let me begin by expressing my appreciation to Senator Harb for introducing Bill S-22. As he has made clear, while the bill proposes a system of mandatory voting, somewhat along the design of Australia's compulsory voting law, the specific purpose for which the bill has been tabled is to invite a debate in an examination by the Senate of the reasons for a long trend line of reduced voter participation in our national elections.

For Canadians, the idea of compulsory laws is not easily accepted. We have a long-established bias in favour of our citizens acting responsibly and being part of an informed and active civil society. Canada is a mature and respected democracy. All adult citizens are given the right to vote, and every political party, our media and other groups in society constantly encourage Canadians to do so.

The question, then, is what are the reasons, obvious or underlying, for the decline in voter participation in national elections of the last few decades? This decline speaks to a proper diagnostic process and, in that regard, the government launched a specific process last February.

(1510)

Among its key components are regional round tables of experts and practitioners to discuss democratic reform issues; commissioned research studies examining the challenges facing our democracy and potential solutions; citizen deliberative workshops to get a sense of how citizens view our democratic system and the values that would underlie their approach to fixing the democratic deficit; and an upcoming colloquium on civic literacy.

Without pre-judging the government's diagnostic process, one key theme that seems to be emerging is the importance of raising levels of civic literacy. Studies suggest that voter turnout is related in good measure to low levels of political knowledge, particularly among young people. Furthermore, there is evidence that levels of civic literacy are low and may have declined considerably over the last several decades. These same studies indicate that participation rates rise with the age of voters. Does this demonstrate that earlier generations had a higher commitment to civic literacy and the electoral process? Alternatively, does it demonstrate that older voters, generally with greater financial possessions and a sense of higher levels of security vulnerability, focus more on their interests and, therefore, want to choose the political and policy directions that most suit them?

Another factor to be considered in voter participation rates may be the opposite of the point I have just made. In brief, it may be called voter satisfaction. Empirical data is needed but when the economy is growing, unemployment rates are down and material well-being is pervasive, people may simply feel that not voting is, in an indirect way, a vote for the status quo. Whatever speculation we may indulge in, it is objectively clear that fewer of the younger voter age groups have expressed interest in public policy issues. As a group, these age groups concern themselves less with issues of public and political governance.

It is for a good reason then that our major political parties on the federal scene are active in recruiting younger members. The Liberal party of Canada, for instance, has a youth organization whose members have a preferred position in national and provincial meetings, and an entitlement to participate in selecting candidates for national leader or for election to the House of Commons in a particular constituency. This affirmative action on the part of the Liberal Party of Canada has been of great benefit to both its activism and its recognition, at an early stage, of the changes in generational attitudes.

I will now turn to the question of compulsory voting and whether this would be the right course to take. Earlier in the debate, Senator Kinsella raised the question of the right to vote as entrenched in section 3 of the Charter of Rights and Freedoms, which states:

Every citizen of Canada has the right to vote in an election of members in the House of Commons or of a legislative assembly and to be qualified for membership therein.

In stating his opposition to Bill S-22, Senator Kinsella raised the issue of whether implicit in the right to vote is the right to not vote. I agree with Senator Kinsella that there is an important question of Charter law that stands in the way of a compulsory voting statute. In any event, the issue in this debate is whether a mandatory voting law would be of net public benefit. Put another way, does mandatory voting fit within our shared understanding of democracy and political freedom?

When the Royal Commission on Electoral Reform and Party Financing, headed by Pierre Lortie, examined mandatory voting in its 1991 report, it rejected the idea as being inconsistent with our values. The report stated:

Although every effort must be made to ensure voters are registered and able to vote if they wish to do so, the public interest in electoral democracy need not extend to a requirement that citizens vote. The Canadian approach has assumed that voters have the right not to vote, and we agree with this view.

The Lortie commission went on to conclude that compulsory voting would be unacceptable to most Canadians, "given our understanding of a free and democratic society."

In other words, the commission was saying that compulsory voting runs contrary to our tradition of regarding the vote as a right to be exercised freely. I agree with both the Lortie commission and Senator Kinsella on this issue. I believe most Canadians would view mandatory voting as an infringement of their personal liberty. Senator Harb has suggested that his proposed "none-of-the-above" category would address the issue of personal liberty since, in his mind, this would mean that people would not be force to vote but only obligated to go to a polling station. I dare say Canadians would not distinguish between being forced to the polls or being forced to vote. They would regard both equally, as contrary to their personal liberties. In defence of the bill, Senator Harb tells us that 70 per cent to 80 per cent of Australians support mandatory voting.

I would like to bring the attention of honourable senators to a survey conducted by the Institute for Research on Public Policy in 2000 that concluded 73 per cent of Canadians oppose the idea of mandatory voting. It seems, therefore, that Canadians and Australians do not share the same perspective, and that an equal number of Canadians would oppose mandatory voting for our system.

While there is no question that the utmost should be done to encourage Canadians to vote and to facilitate their participation if they wish to do so, individual choices about whether to participate must be respected. I believe that this is likely why most western democracies do not provide for mandatory voting and why those countries that have mandatory voting laws tend not to enforce them. Furthermore, I note that other countries, the Netherlands and Austria, for example, have repealed their mandatory voting laws. It would seem that mandatory voting is not seen as a panacea for democracy.

Another important matter raised by the Lortie commission in its report is fairness in the enforcement of mandatory voting laws. The report noted that mandatory voting laws are rarely enforced effectively or equitably because citizens must be given the benefit

of the doubt when they explain why they did not vote. The end result is that many people are prosecuted and fined without knowing that they could simply offer reasonable excuses, true or false. Others who come up with reasonable excuses, true or false, are not prosecuted.

I wholeheartedly agree that we must do something about declining voter participation. There is no question that the dramatic declines we have seen over the past 15 years or more do not bode well for the future of our democracy, should the trend continue. Without exaggerating too much, the level of voter participation does provide a useful barometer for the state of our democracy. Voting is the simplest way for Canadians to participate, and there is no evidence that they are replacing the act of voting with other acts of participation, as evidenced by declining participation in political party membership. I think we can conclude that mandatory voting does not address the underlying causes of the democratic malaise that we are currently experiencing. Mandatory voting would only serve to obscure the true feelings of Canadians. We would lose the best measure we have of how engaged Canadians truly are in the democratic system.

Mandatory voting might see our participation rate rise but it would be an artificial measure. Our political parties, independent foundations, institutes and university leaders should explore ways of promoting civic literacy as a first step to addressing the issue of voter turnout and the broader issue of civic engagement. Their efforts should be supported financially by government through an independent granting body set up by Parliament.

I will conclude by restating the issue. What is the paramount public policy — that we require to know the political choice of every citizen of voting age through a system of compulsory voting or that every voting-age citizen has the right to choose whether to participate in the electoral process? Senator Harb does a public service in raising these questions for our consideration.

Honourable senators, if there are no other speakers at this stage in our deliberations of Bill S-22, I move that the subject matter of Bill S-22 be referred to the Standing Senate Committee on Legal and Constitutional Affairs for further study and report.

The Hon. the Speaker: Before I can put a motion, other senators may wish to speak.

On motion of Senator Stratton, debate adjourned.

• (1520)

# RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

THIRD REPORT OF COMMITTEE— DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Smith, P.C., seconded by the Honourable Senator Robichaud, P.C., for the adoption of the third report of the

Standing Committee on Rules, Procedures and the Rights of Parliament (conflict of interest code for senators), tabled in the Senate on May 11, 2005.—(Honourable Senator Joval, P.C.)

Hon. Serge Joyal: Honourable senators, it is a great opportunity that is afforded today to consider the report of the Rules Committee on the proposed conflict of interest code for senators.

This is an issue of particular interest to me. When we published our book on the Senate — I use the collective "we" because there were many contributors to the book, which was released in 2003 — among the most learned contributors were Professor David Smith, the emeritus professor of political science at the University of Saskatchewan, and Professor Paul Thomas, who is a professor of political science at the University of Winnipeg. I should like to quote Professor Thomas, who raised this issue of conflict of interest for senators, at page 210 of the book. He said: "The suspicion that the Senate supports a privileged economic elite has not gone away, as revealed by the fact that journalists track the corporate directorships held by senators and there are regular calls for stricter disclosure and conflict of interest rules governing their behaviour."

That issue was raised, as I mentioned, by almost all the contributors to the book, and I raised it myself in my own chapter. This was not, in fact, when then Leader of the Government Senator Carstairs tabled a motion in February 2003 that the Rules Committee study a draft bill and a draft code, because both of them were tabled at the same time, as my honourable colleagues will remember.

We concentrated first on the draft bill. We agreed at the end of the study procedure that the bill should be split in a way, that there should be an Ethics Commissioner for the House of Commons and an Ethics Officer for the Senate. We thought, and I think we were well advised, that our chamber has a different constitutional status than the other place and that the status of our Senate Ethics Officer should not be linked to the political problem that might stem around him or her in the other place. In light of the what is going on these days with the present Ethics Commissioner in the other place, within less than a year, the proof is that we were well advised.

Once we dealt with the draft bill, the Rules Committee started studying the code. The code, as honourable senators will remember, was tabled at the same time as the bill. The bill was tailored to the needs of the other place, mainly.

To me, there was a major problem that we had to reconcile if we were to draft or think of a bill that would answer the Senate needs — that is, should we not have a code that answers the Senate needs? Hence, of course, the obligation remained on the shoulders of the members of the committee to look into the draft code with our perspective. This is a very important point.

In 1996, in a case that has remained one of the seminal cases on the issue of codes of conduct, *R. v. Hinchey*, Justice L'Heureux Dubé wrote, in paragraph 18 of the majority decision:

In my view, given the heavy trust and responsibility taken on by the holding of a public office or employ, it is appropriate that government officials are correspondingly held to codes of conduct which, for an ordinary person, would be quite severe. For the public, who is the ultimate beneficiary of honest government, it is not so easy to sort out which benefits are legitimate and which are laden with a sinister motivation.

In other words, the justices of the Supreme Court of Canada have been quite clear in their preoccupation to try to determine a level of obligation, for anyone who holds a public duty or a public office, to maintain a higher level of ethics, a higher level of transparency. The problem is then where to draw the line between the private interest of a senator and the need of transparency for the public. This is the nucleus of the problem.

As any citizen in this country, we enjoy the right to privacy. The right to privacy is a fundamental right. It is so much a fundamental right that article 12 of the Universal Declaration of Human Rights, adopted in 1948, states as follows:

No one shall be subjected to arbitrary interference with his privacy, family, home or correspondence, nor to attacks upon his honour and reputation.

There is then — and my honourable colleague, the Leader of the Opposition, will certainly concur with me — the International Covenant on Civil and Political Rights — which Canada ratified — entered into force in 1976, which says, in article 17:

No one shall be subjected to arbitrary or unlawful interference with his privacy, family, home or correspondence, nor to unlawful attacks on his honour and reputation.

That is paragraph 17(1) of the international covenant.

There is a similar section in the European Convention for the Protection of Human Rights and Fundamental Freedoms. It can be found in article 8. I will spare honourable senators the reading of it.

There are two key sections in our Charter on rights to privacy, sections 7 and 8. I will read section 8 in French, because the quotation I want to propose to you has been handed to me in French.

## [Translation]

Everyone has the right to be secure against unreasonable search or seizure.

How have the courts interpreted this section or this protection?

Section 8 protects persons and not premises.

## [English]

It is aimed to protect the persons, and not the premises, not the dwelling per se.

## [Translation]

In particular, it protects a collection of personal biographical information that individuals could, in a free and democratic society, wish to establish and withhold from the knowledge of the State. This is especially true for information tending to reveal intimate details about the lifestyle and personal choices of an individual.

## [English]

At issue, in other words, is the lifestyle and personal choice of the person. That has been confirmed in a decision of the Supreme Court, *R. v. Plante* in 1993.

Honourable senators, when I read the draft code of conduct, I had to ask myself what the principles were at stake in that draft code. To me, there were two sets of important principles. The first is the Charter of Rights principles. In other words, it is not because we are senators that our rights, the ones entrenched in the Charter, must be abandoned. The rights we have under that Charter in terms of the draft code are two — privacy rights and the right to due process. If you are to judge me as a senator, I want to have the benefit of due process. This is guaranteed under sections 7 and 11 of the Charter.

#### • (1530)

Then I had a second preoccupation. In adopting a code on conflict of interest, we are making a fundamental change in the Senate. We are changing the obligation of each and every senator and the way in which the Senate, as an institution, maintains discipline. We are bringing changes at two levels — at the level of the individual senator and at the level of the institution.

I asked myself how we should do that and what should preoccupy us first and foremost. I decided to write to the Privacy Commissioner of Canada in November 2004. I sent the draft code to the Privacy Commissioner so that I could receive the benefit of her wisdom. I would like to quote the letter that I received from her on February 18, 2005. She answered me in French and wrote:

## [Translation]

The issues that you raise in your letter are important. In fact, any intrusion into the private life of a citizen must be justifiable in a society where this same right is recognized and protected. That is even more true when it concerns information about a statement of the assets and liabilities of a citizen, as well as the assets and liabilities of a legal spouse, or common-law partner.

It is a self-evident truth regarding personal information that the closer one is to the historiography of a person including information about health, the more certain it is that personal information must be subject to adequate protection.

## [English]

What did the Privacy Commissioner say in relation to the draft code? She did not pronounce on each and every section, but I think she gave us a hint on what we should be looking for when we adopt a draft code. What are those hints?

In response to my letter, Ms. Stoddart, the Privacy Commissioner, sent me a long presentation made at an international convention last September 2004 in Poland. The convention was calling upon privacy commissioners around the world to reflect on the very issues that are at stake in our code of ethics. What was the gist of the report of that international convention? It stated that:

Privacy is an instrumental freedom. Privacy facilitates the practical enjoyment of other fundamental rights.

Privacy ensures that:

...every person has some zone of privacy in which to develop individual identity, maintain relationships of trust and intimacy with others, and preserve dignity.

In other words, to make choices in particular cases between privacy and disclosure is a challenge that aims to apply a test to decide where to draw the line. This is the \$1-million question: Where to draw the line on our rights to privacy, to our lifestyle, to our capacity to maintain intimacy in our relationships, to our capacity to develop ourselves the way we feel we should develop in society, and the need for transparency?

Honourable senators, the answer to that difficult question lies in section 1 of the Charter. The Honourable Leader of the Government will remember the discussion we had on that particular section of the Charter. Our privacy rights are not supreme. They are not absolute.

The Hon. the Speaker: Senator Joyal, I am sorry to interrupt, but your 15 minutes have expired.

**Senator Joyal:** Honourable senators, I have attended 26 committee meetings on this issue, and members of the committee have been very lenient in allowing me to speak. This is my last kick at the can. Therefore, I would request the consent of the house to allow me to continue.

Hon. Senators: Agreed.

Senator Joyal: Section 1 of the Charter established that privacy rights are not absolute. Section 1 states that those rights are guaranteed "subject only to such reasonable limits prescribed by law." What are the reasonable limits to the privacy rights of a senator? Those limits should be tested by the Oakes principle. It is a decision of the Supreme Court that has interpreted section 1 and has determined that when one infringes upon the rights of someone else, that infringement should impair "as little as possible the right or freedom in question." In other words, it is the test of minimal impairment. If we are to limit the right to privacy of senators, or to compel senators to declare an interest, to declare things or points or information that normally would remain private, it should be done in conjunction with the test of minimal impairment to satisfy the need for transparency.

Honourable senators, I am happy to report that the committee has accepted those two essential elements, which are the right of privacy and the test of minimal impairment. Those elements are well spelled out in section 2(2) of the draft code and in section 49. These two essential elements of the code were accepted after long

discussions in committee. I am very indebted to all members of the committee who were receptive to those arguments.

Section 2(2) of the code states that:

The Senate further declares that this Code shall be interpreted and administered so that Senators and their families shall be afforded a reasonable expectation of privacy.

Finally, section 49 of the code says quite clearly that:

In interpreting and administering this Code, reasonable expectations of privacy shall be impaired as minimally as possible.

The code contains this test, which I think is the important point to have in the code. When a clear case of conduct raises problems, the Senate Ethics Officer, or SEO, and senators can use the test to resolve the case.

In fact, the committee applied this test to the 18 obligations that the code contains. The code contains 18 obligations for individual senators. I would like to quote some of the obligations that have been submitted to the test of privacy, versus minimal impairment, versus transparency. I want to mention only two. One is the case of family interest or spousal interest.

Earlier in our careers, many of us were involved in promoting the equality of partners in the common law family or of spouses in the legal family. I am looking at Senator Bacon, as she was instrumental in the progress made in this regard in the province of Quebec. We know that the equality of sexes as enshrined in section 28 of the Charter supports those changes. Your spouse and my spouse are treated equally in the couple relationship.

If we are to submit that person to certain obligations, it should be strictly in relation to issues that put our spouses in a conflict of interest. If a senator's spouse has a contract with the government, then there is a presumption in the public that the senator might have been involved in obtaining the contract. I think the public has to know that, if that is the case, then it is disclosed. In other words, we have maintained a level of privacy in the couple's relationship to the point where the public interest is at stake.

• (1540)

I should like to thank the members of the committee. This was not an easy discussion or issue, but I believe our proposal meets the test of section 1 of the Charter.

I will move, honourable senators, to the second set of principles, which is, in fact, the changes brought to the Senate as a chamber by the fact that we have now created, through Bill C-4, the position of Senate Ethics Officer. In other words, what principles should we maintain, given that we now have a Senate Ethics Officer, and what is the responsibility of the chamber in relation to discipline?

Honourable senators will remember that the jurisdiction of the Senate over its members has been decided by the court, and the right of the Senate to impose discipline within its walls is absolute and exclusive. Accordingly, the court declined jurisdiction.

Honourable senators will remember that we are here on the issue of the rights of Parliament. Parliament has the right to discipline its members. The Senate has the fundamental right to discipline its members. In creating the position of SEO, we have to make sure that we retain, as a chamber, the right to continue to exercise that power over our members, in other words, to discipline our members.

On many accounts, the committee looked carefully at the various sections of the draft code to make sure that the SEO would have the capacity to do his work, to look into an allegation, to investigate if the need is so, and to give a report and recommendations to the committee in the context of maintaining the rights of the Senate over its members, as has been decided since 1884 by courts that have interpreted that responsibility of Parliament. Honourable senators, this is a very important issue. Who controls the SEO, in fact, is a key issue to the reliability of the system.

If we, as a Senate, are to maintain that capacity to exercise our responsibility as a whole, we cannot ignore that the other aspect of the SEO, of course, is his budget. I should like to address myself to the Speaker. The act provides quite clearly that the Speaker has a role in that context, and the Speaker is our representative. I should like to quote section 20.4(8) of the Parliament of Canada Act:

The estimate referred to in subsection (7) shall be considered by the Speaker of the Senate and then transmitted to the President of the Treasury Board...

Honourable senators, one element in the exercise of the Speaker's responsibility is the Speaker's Advisory Committee, or what we call the SAC. That committee was created by a former Speaker, the late Gildas Molgat. When the Speaker has to examine the estimates of the SEO, the Speaker may ask for the opinion of the Speaker Advisory Committee of the Senate, and the leaders of both parties sit on that committee, and whoever else the Speaker, in consultation with the leaders, invites. In other words, we still keep a capacity to express a view on the budget of the SEO.

The other aspect that is very important is that the SEO is not totally outside court review. Honourable senators will remember that last summer, last July, the Federal Court heard a case between Democracy Watch and the Attorney General of Canada (Office of the Ethics Counsellor) respecting the then Ethics Counsellor, Howard Wilson. The court not only granted the petition but found that the former Ethics Counsellor was, in fact, biased in the way he had exercised some of his responsibility. This is a very serious issue.

We have entrenched into our statute the status of a Senate Ethics Officer. Of course, the former one was not defined in the law. It was merely an administrative decision of the Prime Minister. It was an exercise of the prerogative of the Prime Minister. Now we have a statute.

I read in the Ottawa Citizen of May 11, which is less than a week ago, on page A3, that Duff Conacher, the coordinator of Democracy Watch, said his independent group is preparing a court case against Mr. Shapiro because of his apparent bias in favour of the Liberal Party. This issue will be in court very soon. It is important, honourable senators, because we tried as much as possible in the original bill to protect the rights of individual senators in the exercise of their responsibility — sections 20.5(2) and 20.5(3); in fact, the rights of honourable members of the Senate to exercise their responsibility and duty within the protection of Parliament was well enshrined in the bill. As I say, there is a certainly a pending issue with that, because the decision of the Federal Court of last summer left it open.

Honourable senators, the media will also be watching over the management of the SEO. No doubt the media will pay close attention to anything relating to the activities of the SEO and senators in relation to the code.

One of my preoccupations, which I shared with members of the committee, was the financial implications. If any one of us is the object of an allegation, that senator will have to defend himself or herself. He or she might have to seek the support of a legal counsel, and perhaps at great expense. Personally, I certainly would not like a senator being barred from defending himself or herself because of a lack of financial support. It was not the mandate of the Rules Committee to decide upon that, but, on page 3 of the report, the committee spells quite clearly that it takes these concerns seriously but has concluded that those matters, that is financial support, are beyond its mandate. It is, however, within the mandate of the Standing Committee on Internal Economy, Budgets and Administration to develop a policy for code-related expenses.

It is very important that we keep that in mind, because we cannot ignore that this issue is public. We will have to pay great attention to each and every obligation spelled out in the code. Journalism, as I said, properly understood, is necessary and certainly part of the democratic exercise.

I should like to close by referring again to the international meeting of privacy commissioners last fall: "Shaming is a longstanding element of punishment and can be legitimate. Shaming in part means loss of privacy. In contemporary society, media are a method of inflicting shame. Media are the modern pillory. Discreditable personal information, whether or not accurate, can be assembled and dissimulated so swiftly and so widely that it cannot be retrieved, nor can it be comprehensively amended if necessary to clarify or correct it. The person to whom the information relates is marked indelibly." This is part of the reality, honourable senators. By adopting this code, we are doing the right thing on the basis that we have been able to ensure that the rights that we enjoy as citizens and senators under the Charter are well reflected in the various sections of the code as much as the status of the SEO, and the status and rights of the chamber are well reflected in the code.

## • (1550)

Certainly, this is not the end but rather the beginning. It will be adapted progressively to our situation. I am sure that each senator who has attended the meetings of the Standing Senate Committee on Rules. Procedures and the Rights of Parliament is aware of this. I am indebted to the chair of the Rules Committee, the Honourable Senator Smith, because on many occasions we tested his patience but his good humour never waned. On a few occasions, we crossed the bar over some issues but it was done with the greatest of respect for one another and a true commitment to come forward with a balanced code. The code will need to be reviewed over time to adapt to the various issues that will arise. I thank all those associated with the exercise and especially the Law Clerk and Parliamentary Counsel, Mr. Mark Audcent, who has worked with me in developing more than 20 amendments to the original draft so that the code better reflects those shared principles of this chamber. Honourable senators, I am most grateful for your attention.

Hon. W. David Angus: Would the honourable senator take a question?

Senator Joyal: Yes, Senator Angus, but I have exceeded the time allowed so I will request leave to continue.

The Hon. the Speaker: Is it agreed, honourable senators?

Some Hon. Senators: Agreed.

Senator Angus: I commend Senator Joyal on a fine exposé of this complicated code, which is of fundamental interest to all senators. My question flows from his statement about how important it is for senators to maintain their rights to discipline their peers and to not water down this basic right in an effort to comply with Bill C-4, which is the enabling and governing legislation. I do not know whether the honourable senator is sure, if I may put it to him that way.

## [Translation]

Can you assure us that we are fully protected in our rights of oversight in terms of the discipline of senators?

## [English]

Senator Joyal: I thank Senator Angus for his question. Senator Furey has been a tremendous help to the committee by bringing its attention to the status of the special committee created by the code. In the various steps taken when an allegation occurs and when an initiative is taken by the SEO on the basis of an allegation, it is important for the committee to remain in close contact with the SEO. We did not want to create a "Kenneth Star." I cannot be clearer than that. We did not want to create an SEO whose main responsibility is that of permanent investigator of each senator 12 hours per day and four days per week when the Senate is sitting. That was not the intention of the original draft. I want to be clear on that point. Rather, we wanted to be considerate of the relationship between the committee and the SEO, while allowing the SEO to perform his mandated duties to maintain his credibility. We wanted to ensure that the senators

would remain the judges of our peers. Senators were elected to the committee to exercise that extraordinary responsibility of maintaining the balance between the autonomy of initiative and role of the SEO, and our capacity as a chamber.

That is the final litmus test. Does this chamber have the last word on the report or the recommendation of the SEO, or does the last word belong to someone who can take the report to a press conference across the street to declare what he has found about the Senate so the public can tear it apart? We did not want to allow that. We have been very careful to craft a balance between the status and autonomy of the SEO and the role of the committee.

Senator Furey has been helpful in drawing the attention of the members of the Rules Committee to the various elements that needed to be fixed.

Senator Angus: I appreciate that answer, Senator Joyal, which points to how much senators owe the honourable senator for having attended those 26 meetings, and for following the devolution of the code from its original draft form to what is before us today.

I will iterate a question that has been posed to me, and perhaps to others in the chamber who are practicing lawyers. The issue seems to be that the creation of this committee is fundamental to the operation of the code. There will be a tremendous onus on that committee, which will act as a buffer to protect senators from an overzealous SEO, even a rogue SEO, or an unpleasant environment. That situation could evolve and happen, as we have seen in the GST debate when things went off the rails. Senator Joyal, are you comfortable that having five of our colleagues, who have their other duties to perform for committee and otherwise, is a safe solution to carry out this surveillance role and to ensure that the rights of the chamber to have the last word on disciplinary matters will be protected?

Senator Joyal: When I first reflected on how we should compose the committee, I thought that the members should be senators holding a position in the Senate. I thought of the Leader of the Government, the Leader of the Opposition and their deputy leaders because they are usually more senior to some other senators in that they have had some experience in the house. Their vision tends to be broader because they take care of their respective sides and they exercise a position of responsibility in the Senate as well. My first reaction was to entrust those senators with the responsibility of being members of the committee.

However, the Rules Committee did a better job in this determination. I say it candidly because the committee accepted, and was strongly of the view, that the members of the committee should be elected, which is unique in this chamber. There is no committee where members are elected by secret ballot because we have the Senate Committee of Selection. We know the rules and the leaders meet, here might be negotiation and sometimes consultation, but the authority lies within the leadership.

By electing the members to this new committee, we are taking responsibility for ourselves. Senators who vote to elect someone to the committee are taking responsibility for potential future judgments by their peers.

• (1600)

By electing the members of the committee, we take individual responsibility. In other words, if I decide to vote for X or Y, I take the onus upon myself to decide who I will trust with that responsibility in relation to a situation where I might be the one who will have to be judged by my peers one day.

In having the two sides elect the members of the committee, and by having those four senators choose the fifth member, there is a better balance. On the whole, it is a better solution because it calls upon our individual responsibility to decide who among us shall be the person we entrust with that responsibility.

Therefore, I gladly withdrew my suggestion and supported the proposal that the members of the committee should be elected through a secret ballot. That way, there is no politicking, although anyone can say that they want to be on the committee. In terms of the composition and functioning of the committee, this proposal seemed to be more reliable.

I am sure that any senator who is elected or selected that way will feel a great trust and personal responsibility to other senators. He or she will have been chosen by a secret ballot. I think that is the only way to maintain the confidence of senators. For example, if I have to go before that committee, I will know that those people are independent. Do not forget that independence is a key quality for anyone who sits in the position of judge over his peers.

I believe the solution proposed in the committee report should satisfy the queries of the honourable senator.

**Senator Angus:** I thank the honourable senator for that response. I agree with him, but as I say, a very onerous responsibility is being delineated for these folks. There may not be a big list of people putting their names forward to be voted on in a secret ballot. Let us hope it works.

I think the proposed solution is an admirable compromise. I hope that from our ranks we will find five senators willing to serve and worthy of our trust in that regard.

My last question has to do with the SEO. We have an SEO in place. I believe the individual is already showing some due diligence in getting around and meeting us. Can my honourable friend clarify what control we have over that individual if, God forbid, a rogue SEO gets out of control? How quickly can he be reined in and what is the process?

**Senator Joyal:** As I mentioned previously, the SEO makes recommendations to the committee at the last stage of his responsibilities. The committee, the peers, holds the decision. The SEO's role under the act is quite clear. Subsection 20.5(3) states:

The Senate Ethics Officer shall carry out those duties and functions under the general direction...

"General direction" has a meaning. In other words, the SEO has autonomy of action, but the general direction, the orientation, rests with the committee. The enabling legislation does not establish an officer of Parliament. We have claimed that the SEO is an officer of Parliament. If he is an officer of Parliament, he is within Parliament. He is not an investigator outside a bureau somewhere with no link to Parliament. He is one of us. He shares our common responsibility on disciplinary issues, and the bill says that the Senate Ethics Officer enjoys the privileges and immunities of the Senate and its members when carrying out those duties and functions. He is certainly in the institution of the Senate. That is what the bill says.

In crafting the role of the committee, we were very concerned when we gave the SEO authority to conduct an investigation that he have the capacity to do the investigation. However, in respect of due process and the rights of the senator, and at the end of the process when it comes time to receive recommendations, the decision is made by the committee which then reports to this chamber. In other words, this chamber remains the last legal authority on decisions taken by the committee.

I should like to add one other important element. We are not entrusting five senators to sit on the committee to do whatever they want with any of us. That is not the intent. The committee sits, listens to the reports of the SEO and then reports to the chamber as a whole. It is up to this house, through a motion, to accept the report of the committee. A gradation of steps in the process maintains the disciplinary role of the chamber.

Honourable senators, in adopting this code, we will have helped the other place. Frankly, I think they will have problems in the other place; sooner or later, there will be a conflict. It will be politicized. We see that in the first decision of the Ethics Commissioner, which is the object of a major controversy. There is a threat to bring him to court.

This is a lesson to us, too. We do not want the first problem that our SEO has to deal with end up in court. We must have a system of better balance. I think all of us have tried to put the best of our minds and experience into drafting the code and agreeing upon a system that is workable.

As I said, it will be difficult. I cannot say that we will never have a problem. We know it. It is politics. On the other hand, it is politics in respect of the true principle of our institution and the Charter.

Hon. Jerahmiel S. Grafstein: Honourable senators, I first wish to commend Senator Joyal for that magnificent exposé, as Senator Angus put it, of the principles underlining this code. Senators will know that I was very unhappy with the word "ethics" because I think it is a misnomer. When I look at the Order Paper, I notice that we are calling this a conflict of interest code, which makes more sense to me.

Senator Joyal has been very much involved in this process from day one. He knows my concerns. This chamber is not a chamber of confidence. This is an independent chamber above politics, yet at the same time within politics given the nature of our appointments.

The new committee will have debates of course, but the committee's conclusions will not be as partisan as in the other place because we are not a house of confidence. Therefore, we should preserve for ourselves our independence and the privileges granted to us under the Constitution.

With that preamble, is my honourable friend now satisfied that this code of conduct will not unduly restrict or inhibit a senator's constitutional duties of independence? Can a senator be active in the business, social, educational and religious life of his region to better reflect those collective and individual interests here in the Senate?

**Senator Joyal:** When the honourable senator was asking his question, I was thinking of some of the interventions that he made on the original bill, which was Bill C-34, and then Bill C-4.

Section 2 of the code contains a statement of short principles that address the concepts that the honourable senator has just outlined.

• (1610)

I will read it:

2(1): Given that service in Parliament is a public trust, the Senate recognizes and declare that Senators are expected

(a) to remain members of their communities and regions and to continue their activities in those communities and regions while serving the public interest and those they represent to the best of their abilities;

(b) to fulfil their public duties while upholding the highest standards so as to avoid conflicts of interest and maintain and enhance public confidence and trust in the integrity of each Senator and in the Senate,

In other words, the code almost orders you to continue to be involved in your community. However, in order to prevent you from creating a blurring of interest, you are requested to declare what kind of position you hold in charities and non-profit corporations, on university boards, on religious boards, on any professional board, on any financial board, and on any board where you have a responsibility, so that the public knows where you are active. That does not mean that a senator who does not report holding positions on such boards would seem to be non-active. I do not want to infer that at all.

On the other hand, a senator who is active in that capacity, because of his or her experience, whether it is professional, family or personal, has a duty to maintain that kind of relationship. The problem with section 14 and 15 of the previous Parliament of Canada Act was that the interpretation was too restrictive to allow us to continue that kind of work. When I was sworn in as senator, I was advised that the position I held at the Canadian Centre for Architecture as an eminent trustee of the centre since its foundation, was in conflict with my position in the Senate. I resigned, which I thought was silly because the centre is public. Anyone can have access to the books. Anyone can know where the money comes from when the centre publishes its annual report. It deprived the centre of my commitment and support. I

remained committed, but no longer on the board. I think it is wrong, because all of us are members of charities and we are asked to be patrons of honour of one subscription campaign or another. We were involved in so many activities that we were deprived of by the interpretation given to section 14 and 15 to remain above suspicion. This code solves that problem.

In other words, once positions are declared, the public will know where senators are active in their private capacity, in their religious, professional, charitable, social, or community activities, and they will be invited to remain committed.

As soon as this code is adopted, I will phone the Canadian Centre of Architecture and say, like it or not, I am back as a trustee.

[Translation]

Hon. Marcel Prud'homme: Honourable senators, I have always said, and will continue to say to the end of my days, that honesty cannot be legislated. You think I am opposed to a code of ethics. We have the Criminal Code and just about everything in order to legislate. However, modern life demands that we have a code such as the one before us. I continue to believe that honesty cannot be legislated.

I congratulate Senator Joyal, who, as always, presents remarkable arguments. I sat with him in the House of Commons. He has not changed; his approach is always impeccable.

Two or three points, however, trouble me, and I mentioned them to him yesterday. Family, common-law spouse and family member are all defined. Paragraphs 20.1 and 20.2 of section 20 suddenly introduce a new concept: "...a senator may accept for the senator and guest of the senator...," but "guest" is not defined. That is my first point.

I know you have an answer. I would like it repeated for the benefit of all my colleagues.

[English]

What is more annoying for us is the way it is written. It is as if Senator McCoy, Senator Ruth, Senator Atkins, Senator Doody, Senator Murray, Senator Pitfield, Senator Rivest, Senator Dyck, Senator Plamondon, and I are non-existent. We do not exist, because it says that in this committee of five people, two will be elected in a secret ballot. I want you to know that I have always been lucky in secret ballots. I was elected Chairman of the Quebec Liberal Caucus seven times. If it had been a show of hands, I would never have considered running. I was also elected in a secret ballot against Sheila Copps. As I said once, I do not suggest people run against me. She ran against me. It was an unbelievable defeat for my esteemed friend Ms. Copps, in a secret ballot.

Now, the honourable senator suggests that two will be elected in a secret ballot by the government, two will be elected by the official opposition in a secret ballot, and the fifth will be elected by the four others after they have been elected. As soon as the two parties elect their people, they will elect one from across the board, who will become the fifth. First, there are 37 women in the Senate, and I would hope that some of them would say I have a point. I am afraid that there will be no women on that committee.

Senator Stratton: Wait a second.

**Senator Prud'homme:** Each one is entitled to his own interpretation. If you read the French version you would think there are only men in the Senate anyway. If you read the French version from page one to the last, you really believe that there are only men in this institution.

I believe that it is dangerous. There are 11 non-affiliated senators — we are not in opposition. I do not think Senator McCoy, Senator Ruth or others are opposition members. We have decided for many reasons to sit differently in the Senate. At no time is that taken into account. There are seven vacancies and there are rumours that there will be more independents in the Senate. I do not like this committee of five. I would rather be at the mercy of a good ethics commissioner. Honourable senators have decided and I will not go further.

I will make a suggestion that the fifth member of the committee should be elected in a secret ballot by the entire Senate, in the same way we elect the Speaker in the other chamber. That way, the honourable senators will know who the four are, and then they will elect the fifth member from the full Senate. Honourable senators would go by elimination, the same as the Speaker in the House of Commons is elected. Any senators who would like to be the fifth member do not withdraw their names. That means that every senator would be a candidate, except for those who withdraw their names. Of course, the Speaker will withdraw his name. Of course, the two who are elected in a secret ballot will withdraw their names. The others from the opposition will withdraw their names, and a multiplicity of people will withdraw their names in writing. Who will be left at the disposal of the Senate, to make everyone have a feeling of equality where no one will be left out and non-aligned. Eleven of us will bow out graciously and say, there are limits to our power or the way we could be elected. At least this should still be considered before being accepted by the Senate. I am concerned. There is someone on my side who seems to be bored with my arguments, but it is very important.

• (1620)

As well, I hope someone will revise the French version, to make it a little less macho than it is at the moment. The way it reads in French, I felt as though I were back to the time of my arrival here in the Senate, from the House of Commons, when there was only one woman here in the Senate.

The definition of "trip" is another messy question senators will have to agonize over. Honourable senators need to develop some institutional memory. There will be problems vis-à-vis the definition of "official parliamentary associations," official but not funded, official but funded, and unofficial, unfunded. I have been trying to give my soul to the service of Senator Furey, at his request, as a non-member of the Joint Interparliamentary Council.

[Translation]

There are differences of opinion on the definitions. At some point we will run into problems. I find it odd that section 20 — you are a very meticulous lawyer, as are Senator Angus and others — provides no definition for the word "guest." The word appears out of the blue.

Unless Senator Joyal can make a suggestion, I will request a vote. If there are only two of us then so be it. At least we will be on the record, even if there is an outcry. I do not get worked up over public opinion. I try to inform the public.

[English]

I do not get nervous about public opinion, that the press might write badly about me or us. If I feel I have done my duty, I can cope with the press or with whomever it is that would like to make us look bad. However, before senators are made to look bad, I should like to ensure that we try to do the best.

I am not satisfied. I do not speak on behalf of the 11 independents, but I am certainly speaking for Senator Plamondon, who has authorized me to do so. There is a discomfort about the secret ballot and the secrecy. There is something strange about eliminating from the very beginning 11 of your own colleagues — so that they do not count. Senator McCoy and others do not count. We will not be consulted.

Senator Stratton: You could be chair.

Senator Prud'homme: I should like to know how we would be consulted.

Senator Angus: That was a long question.

Senator Joyal: I will address the two issues Senator Prud'homme raised. First, on the definition of "guest," I will refer to section 20 for the benefit of senators, so that we know what we are talking about. Section 20 is titled "Statement: sponsored travel." We are talking about travelling.

20(1) Notwithstanding subsection 19(1), a Senator may accept, for the Senator and guest of the Senator, sponsored travel that arises from or relates to the Senator's position.

It is totally correct, as Senator Prud'homme said, that there is no definition of guest. If there is no definition of guest, as a lawyer, I would go to the Interpretation Act. I have looked into the Interpretation Act, and there is no definition of guest there. The Interpretation Act, of course, is the dictionary we use to interpret statutes and regulations of Parliament. Failing that, we go to the Oxford English Dictionary or to Larousse, or others. What is the definition of "guest" in the common dictionary? I will give that to you from memory. It is a person who is invited and is offered a service without charge.

Let us take an example. Let us suppose I invite someone to a hockey game. What is really happening? I offer the individual the opportunity to attend a hockey game. Of course, since I issued the

invitation, I would pay for the ticket. I might even send a driver to pick my guest up at his residence and drive him back home. I might even entertain my guest at the bar between periods. I might even ask my guest to join me for a late dinner. The individual is my guest.

Senator Rompkey: Sounds like more than that.

Senator Grafstein: Sounds good to me. Best offer I have had today.

Senator Stratton: Stop there.

**Senator Joyal:** I will stop there. Thank you, Senator Stratton. As my father would say, we are in need of morality here.

What is it essentially? It is a benefit that, through our position, we offer to another person without that person having to pay for it. That is essentially what a guest is. When we read that section and see the word "guest", it could be a family member. My guest could be my spouse or my common law partner. It could be my son who is over 18 years old. It could be my other children who are under 18. It could be my brother. It could be any one of my family. It could be my assistant whom I want to reward for all his good work. It could be anyone we feel has an interest in the subject of the conference I am invited to attend. It could be anyone that I offered the opportunity to join me in a trip that is sponsored, that is paid for not by government but by other funds in the private sector.

That section covers a greater number of persons. The previous section talks only about gifts or benefits that are limited to family, and, as clearly stated, "family" is well defined in the definition section of the code. This covers more. It is of much wider application than the previous section.

We discussed this at committee. I believe Senator Milne and Senator Fraser raised that question at the time. It was dealt with in the context of inviting friends who had no relationship directly to the family. That happens. In other words, we wanted to ensure that that section would be effective. That is essentially why we used the word "guest."

The honourable senator's second point was how we should select the fifth member of the committee as a Senate, as an institution. Section 37(4), which deals with the election of members, reads as follows:

Two of the Committee members shall be elected by secret ballot in the caucus of Government Senators at the opening of the session; two of the Committee members shall be elected by secret ballot in the caucus of Opposition Senators at the opening of the session; the fifth member shall be elected by the majority of the other four members after the election of the last of the four members.

What is the majority of the four members? It is three members. In other words, the government majority alone cannot select the fifth one because it needs a majority of the four. Automatically,

the opposition must join on the selection of the fifth member because three votes are needed. The government has two votes. In other words, the fifth one must be a consensual candidate among the two main parties.

What would happen if we accepted Senator Prud'homme's proposal to elect that person in the chamber? It is not guaranteed that the senator who would be elected as the fifth candidate would be supported by the majority. In strict terms, look at the present composition of the Senate. The government has 60 or so positions, and the opposition has 20 or so. There is no doubt that if the government side decided on the fifth member for whatever reasons, we would impose the fifth member. I have a problem with that because I think the committee should have the confidence of all sides. The way to maintain balance in our system is by giving a say in the third vote to the opposition. In that way, we can guarantee that the fifth member will be accepted by all; in other words, someone, from whatever side, who can fill that position in a non-partisan way.

#### • (1630)

The senator has raised a very important question. We debated this issue and were concerned that when the fifth member was selected, the government would hold the majority on the committee. We wanted to maintain an equilibrium between the sides. The proposal may not be perfect, but it ensures that the fifth committee member is someone acceptable to both sides of the chamber.

Section 37(4) says that the fifth member shall be elected by the majority of the other four members after the election of the last of the other four members. This was done to maintain the equilibrium.

The Hon. the Speaker: Simply as an observation, honourable senators, the rules provide for comments and questions. The last intervention under comments and questions took almost 20 minutes, which is longer than the normal allocation of time for speaking.

Senator Prud'homme: I profoundly disagree with the interpretation of our esteemed colleague Senator Joyal on the election of the fifth member. That would put the 11 independent senators at the mercy of the first four members of the committee. There is no chance for an independent senator to represent the other independent senators. I would like to be able to recommend one of the 11, although that does not mean that person will be elected. This puts the 11 of us at the mercy of the four who will be elected in a secret ballot, probably after having campaigned or having been either selected or canvassed by their own parties.

Either every senator is equal or every senator is not equal. I may be wrong, but this is the beauty of debating.

[Translation]

This creates a certain inequality among senators. I will elaborate on this tomorrow.

[English]

Hon. John G. Bryden: Honourable senators, I want to say to everyone who has been involved in this long process, particularly the members of the Rules Committee, that this matter has progressed greatly, and I will be pleased to support this proposition.

If we waited until we thought we had a perfect code, we probably would never arrive at our goal. However, a review process is built into the process and senators must be prepared to ask for that review when the time comes.

Further to the concern that Senator Angus expressed, with the bill and this set of rules we are moving from what was, when many of us joined this institution, an honour-based system for the conduct of senators to a rules-based system. There are all kinds of reasons for that shift, not the least of which is that the media and the public demand it.

By electing from among all the members of the Senate four members of the committee who will, to a large extent, supervise this system, and by having those members, or perhaps the whole Senate, choose the fifth member, and by having that committee make the final decisions to investigate senators or activities, I believe that we retain at least a vestige of the honour system we formerly had. By choosing the most honourable and trustworthy and capable among us, we will end up with the best of both worlds.

I share some of the concerns of Senator Angus, if I have interpreted them correctly, vis-à-vis the relationship between the Senate Ethics Officer and the committee. It is clear that the committee makes the judgment and reports to the Senate. If the Senate Ethics Officer conducts an investigation and feels compelled to bring the case to the attention of the public even though the committee or the Senate disagrees, are there rules that would prevent him from doing so? It is not possible to prevent a rogue officer from doing whatever he decides to do, but who is in the position to sanction a Senate Ethics Officer who goes beyond his mandate?

We cannot fire him, because we did not hire him. We cannot suspend him, because he is not our employee.

All the officers of Parliament were created as servants of Parliament, yet in many instances people wiser than I have expressed the belief that Parliament has ended up being the virtual servant of the officers or in the control of the officers.

• (1640)

Senator Joyal: In considering that important question, I asked myself what our relationship is to the SEO versus our relationship to the other officers of Parliament; that is, the Auditor General, the Commissioner of Official Languages, the Privacy Commissioner, the Information Commissioner and the Chief Electoral Officer. I concluded that the Senate has greater capacity to manage initiatives of the SEO than it has to manage initiatives of any other officer of Parliament. In answer to the honourable senator's question, section 46 of the draft code reads as follows:

- (1) The Committee shall take into consideration a report received from the Senate Ethics Officer under section 45 as promptly as circumstances permit.
- (2) The Committee shall provide, without delay, a copy of the report of the Senate Ethics Officer to the Senator who was the subject of the inquiry, and shall afford that Senator the opportunity to be heard by the Committee.

The next heading is "Investigation", and that is where the committee has a responsibility:

- (3) In considering a report, the Committee may:
  - (a) conduct an investigation; or
  - (b) direct that the Senate Ethics Officer's inquiry be continued and refer the report back to the Senate Ethics Officer for such further information as the Committee specifies.

Finally, following its consideration of the report of the SEO under this section, the committee shall report to the Senate. In other words, there is a clear element of initiative of consideration by the committee over a report of the SEO. It is quite well spelled out in the draft code.

The honourable senator's question goes beyond that. That is, what would happen if there were a major conflict between the SEO and the committee? In my opinion, section 4 and the general section dealing with the committee provides for that, namely, that the SEO act under the general direction of the committee. That is provided for in the bill. The enabling legislation is proposed section 20.5(1), which states that the Senate Ethics Officer shall perform the duties and functions assigned by the Senate for the governing of the conduct of senators.

It is clear that the committee and the Senate take the decision. With respect to whether there is a conflict, I will refer you back to the bill. Section 20.2(1) of the act states as follows:

The Senate Ethics Officer holds office during good behaviour for a term of seven years and may be removed for cause by the Governor in Council on address of the Senate.

In other words, in the event of a major conflict between the two, the Senate would have the opportunity to adopt an address to the Governor General so that the SEO be removed.

There is a symbiotic relationship between the draft code and the act. Your question might appear theoretical, but in the Northwest Territories, I believe, there was a case of a conflict between the ethics officer and the legislature that went to court, and the court resolved it.

In other words, it is not totally theoretical, but the system provides a way for us to avoid going to court. As I say, it would be a mistake for us not to resolve it within the institution of Parliament and go to court instead. When we are exercising a disciplinary function, it is one of the rights and responsibilities of Parliament. The ethics officer can also resign, of course.

Hon. Francis William Mahovlich: Duff Conacher is the coordinator of Democracy Watch, an organization that watches the Commons, the Senate and everything that goes on in Parliament. I am not sure how they are funded, but I know that it is controversial, and he might have a conflict of interest. I am not quite sure.

Mr. Conacher commented that the ethics regime is a joke. Did Democracy Watch make any recommendations to our committee?

Senator Joyal: It might be for Senator Smith to answer, because he was the chair of the committee. As I say, I attended every meeting of the committee, and I never heard Duff Conacher testify on the draft code as a representative of Democracy Watch. The opinions of Democracy Watch are well known. I quoted an article earlier from the Ottawa Citizen. Democracy Watch makes a profession of trying to discredit Parliament and parliamentarians. They are entitled to their opinion — freedom of expression — but we are also entitled to our reputations, as I said earlier on.

Privacy remains a right for us. If our reputation is at stake, we have the means to defend our reputation. That is why I raised the issue of financial support earlier on. When we establish a system, the system must be balanced. Justice cannot be essentially dependent on the means of a person, and I have seen many instances in the past years with respect to senators on both sides of this chamber. I recall the situation of former Senator Ghitter who sued and won. I personally sued, and I got a fair settlement.

There are other senators who are suing whose cases are still pending in court. As I said, Democracy Watch is entitled to its opinion. It will discredit the other place as it will discredit our place. All citizens in this country are entitled to their opinion, but when they so exercise their freedom of expression, I do not think we should abandon our right to fair treatment. That is why I think this system provides us for fair treatment.

Senator Mahovlich: Thank you, senator.

Senator Angus: Good question, good answer.

Hon. Joan Fraser: This is, as I suggested, a follow-up to Senator Bryden's question. As I understood him, he was concerned about the case that would arise if an SEO felt impelled, for whatever reason, to make public matters that should be kept confidential.

I wonder whether Senator Joyal would agree with me that we have, in fact, a belt and suspenders in this case. We have not only the general provision in the Parliament of Canada Act, but we also have a further reference to that in the code. Unfortunately, the version of the code that I have is the second-last version, so the numbering of my paragraphs is not exactly the same, but it is the third last section of the code, which says, in part:

...the Senate Ethics Officer shall keep confidential all matters required to be kept confidential under this Code. Failure to do so shall constitute behaviour sufficient to justify either or both of the following

(a) a resolution by the Senate...requesting the Governor in Council to remove the Senate Ethics Officer from office.

Would that not wrap the whole thing up and tie it with a nice bow?

Senator Joyal: Exactly, Senator Fraser, I would be tempted to say that not only is it a belt and suspender, but it is buttons, too. Men's clothes are designed whereby via an inside button they can make sure their shirt is stuck to their pants.

As I said earlier on, the issue of confidentiality is a key issue. It was a concern of many senators. Confidentiality is the basis of the trust that we will have in the SEO. If we enter the office of the SEO or we file our form to the best of our knowledge, as Senator Bryden said, with our honour and good faith, and we have the smallest suspicion that it will be part of a public debate whereby the SEO will take it like a football and run it across the field of media, none of the members of the committee would have liked that and would have felt that was a fair system.

• (1650)

That is why the provision that Senator Fraser has just quoted links the code to the act by mentioning the act clearly in the rules. Besides that, we have added to the original draft that Senator Fraser will remember very well, the confidentiality nature of not only the SEO but the personnel of the SEO, because if I can be vulgar, let us not fool ourselves.

We live in the world of computers. Imagine that there is a disk in the SEO's office containing information about all of us and someone breaks into the system. Where is the confidentiality? To make sure that the SEO could not say, I am sorry it was not me, it was my agent and he or she acted outside the instructions that I gave him or her, we have made specific sections in the code whereby the confidentiality obligation rests on the SEO, his or her personnel and the people that contract for the SEO. As you know, you have seen it in the other place, contracts will be granted, so all those persons are subjected to the same responsibilities of confidentiality to avoid what we have just disclosed in terms of what we should be maintaining as a trust in the system.

Hon. Tommy Banks: When we were talking about disclosure, honourable senators, my wife is a theatrical agent who represents about 250 performing artists. From time to time, she signs contracts on their behalf with various agencies of the Government of Canada.

One of the provisions of the present code before us requires disclosure of those transactions, subject to reasonable inquiries being made. That is the language. I have made reasonable inquiries, and I will not tell you what the response was because I would be ejected from my seat if I were to do so. Further inquiries in that respect will be made at some risk to my person.

Senator Day: That seems reasonable.

Senator Joyal: What is her name?

On motion of Senator Angus, debate adjourned.

#### THE SENATE

MOTION TO AMEND RULE 32— SPEAKING IN THE SENATE— DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Corbin, seconded by the Honourable Senator Cook:

That the *Rules of the Senate* be amended by replacing Rule 32 with the following:

- "32. (1) A Senator desiring to speak in the Senate shall rise in the place where that Senator normally sits and address the rest of the Senators.
- (2) Any Senator who speaks in the Senate shall do so in one of the official languages.
- (3) Notwithstanding subsection (2), a Senator desiring to address the Senate in Inuktitut shall so inform the Clerk of the Senate at least four hours before the start of that sitting of the Senate.
- (4) The Clerk of the Senate shall make the necessary arrangements to provide interpretation of remarks made in Inuktitut into the two official languages.
- (5) Remarks made in Inuktitut shall be published in the *Debates of the Senate* in the two official languages, with a note in the *Journals of the Senate* explaining that they were delivered in Inuktitut."—(Honourable Senator Stratton)

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I had adjourned this motion in my name to survey our caucus as to whether any of them would like to speak to this issue. As far as our side is concerned, we are happy to see this motion go to committee.

**The Hon. the Speaker:** Honourable senators, are you ready for the question?

Hon. Senators: Question!

Hon. Bill Rompkey (Deputy Leader of the Government): I wonder if we could clarify that the intent here is to send the subject matter to committee before a vote on second reading. If there is agreement on that, then I would be prepared to make that motion.

Senator Stratton: It is not a bill.

The Hon. the Speaker: That is not where we are at.

**Hon. Eymard G. Corbin:** Is not the subject matter the motion itself?

Senator Stratton: It is the motion itself; no bill.

The Hon. the Speaker: Are you satisfied, Senator Rompkey, that your concern is dealt with by the wording of the motion itself?

Senator Rompkey: Yes.

The Hon. the Speaker: It was moved by the Honourable Senator Corbin, seconded by the Honourable Senator Cook, that the *Rules of the Senate* be amended by replacing rule 32 with the following —

Shall I dispense?

Senator Stratton: You are not going to adopt the motion. You send it to committee.

Senator Robichaud: This is what we are doing right now.

**Senator Stratton:** If I may, the recommendation, as I said, on our side is that we are happy to see this referred to committee for study.

Senator Robichaud: Make the motion.

**Senator Stratton:** I would suggest that the mover of the motion, Senator Corbin, do that.

## REFERRED TO COMMITTEE

**Hon. Eymard G. Corbin:** I move that the motion be not adopted now, but that it be referred to the Standing Senate Committee on Rules, Procedures and the Rights of Parliament.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.

[Translation]

## **ISRAELI-PALESTINIAN QUESTION**

INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Prud'homme, P.C., calling the attention of the Senate to the Israeli-Palestinian question and Canada's responsibility.—(Honourable Senator Prud'homme, P.C.)

Hon. Marcel Prud'homme: Honourable senators, since we never know what the future may hold and since this is the fourteenth day for this inquiry on the Order Paper, I am afraid that, should I not be here tomorrow, this debate will be over.

There are some extraordinary developments in the Middle East, some of which we like and some of which we do not. I would not want it held against me for giving the background and explaining how I arrived at this inquiry. That might prove extremely disagreeable for some.

So, with your leave, and hoping I am well-advised, I move that this order be allowed to stand.

[English]

I move that this item stand in my name for the rest of my time.

The Hon. the Speaker: It is moved by the Honourable Senator Prud'homme, seconded by the Honourable Senator Fraser, that

further debate be adjourned to tomorrow for the balance of Senator Prud'homme's time. Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.

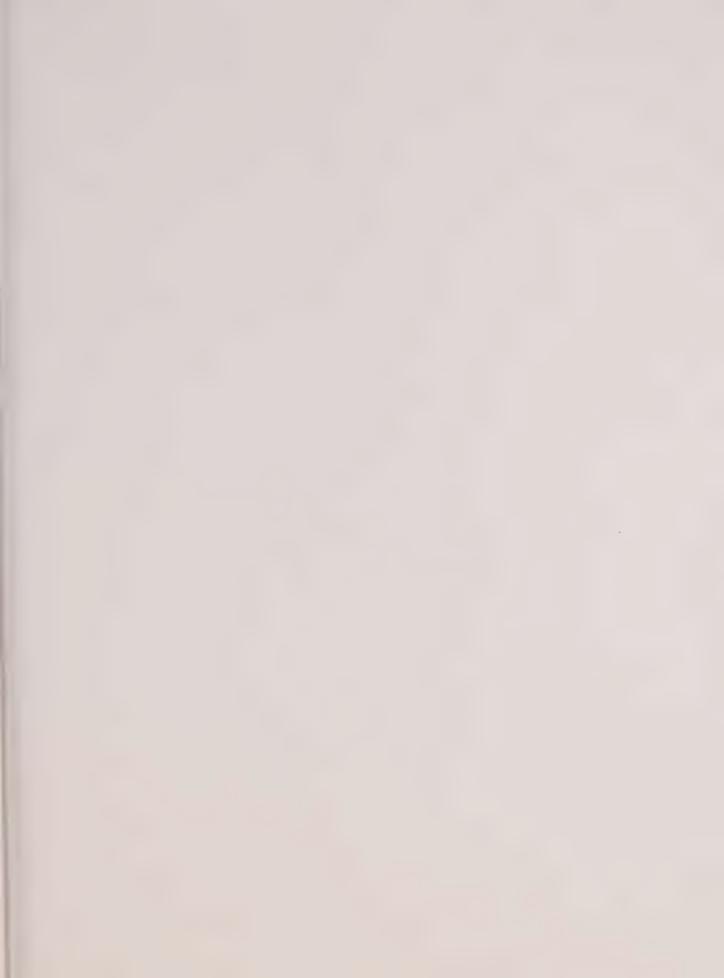
The Senate adjourned until Wednesday, May 18, 2005, at 1:30 p.m.

## CONTENTS

## Tuesday, May 17, 2005

PAGE	PAGE
sitors in the Gallery	New Brunswick—Financial Terms for Refurbishing Point Lepreau Nuclear Power Plant.
e Hon. the Speaker	Hon. Lowell Murray
	Social Development
ENATORS' STATEMENTS	New Brunswick—Agreement on Child Care.
	Hon. Pierrette Ringuette
er Majesty Queen Elizabeth IIHis Royal Highness Prince Philip,	Hon. Jack Austin
Duke of Edinburgh	Finance
elcome to Canada.	Changes to Budget 2005—Effect on Quebec.
on. Jack Austin	Hon. Marcel Prud'homme
on. Noël A. Kinsella	Hon. Jack Austin
lantic Institute for Market Studies	
ongratulations on Receiving the Templeton Freedom Award	Elections Canada Saskatchewan—Contributions from Federal Liberal
or Institute Excellence.	Party to Provincial Liberal Party.
on. Terry M. Mercer	Hon. David Tkachuk
elations with Saudi Arabia	Hon. Jack Austin
on. Marcel Prud'homme	Hon. Gerry St. Germain
	Agriculture and Agri-Food
itish Columbia ancouver—St. James Community Services Society Art Program—	Problems in Farm Community.
exhibit in Senate Foyer.	Hon. Gerry St. Germain
on. Mobina S. B. Jaffer	Hon. Jack Austin
ıwait	Bovine Spongiform Encephalopathy—Aid to Cattle Industry—Culling of Older Animals.
omen Granted Right to Vote.	Hon. Gerry St. Germain
on. Rose-Marie Losier-Cool	Hon. Jack Austin
ne Late Judge Alan B. Gold, Q.C.	International Trade
on. Joan Fraser	Bovine Spongiform Encephalopathy—Closure of United States Border to Canadian Cattle—Intervenor Status in Montana Court Case.
	Hon. Gerry St. Germain
OUTINE PROCEEDINGS	Hon. Jack Austin
	Delayed Answer to Oral Question
igratory Birds Convention Act, 1994	Hon. Bill Rompkey
anadian Environmental Protection Act, 1999 (Bill C-15)	• •
ll to Amend—Report of Committee.	Foreign Affairs
on. Tommy Banks	Germany—New Embassy.
udy on Issues Related to National and International Obligations	Question by Senator Kinsella.  Hon. Bill Rompkey
terim Report of Human Rights Committee Tabled.	Tion. Bill Rompkey
on. A. Raynell Andreychuk	The Senate
	Tribute to Departing Pages.
anada-Africa Parliamentary Association hird Session of Pan-African Parliament.	The Hon. the Speaker
March 29-April 1, 2005—Report Tabled.	
on. A. Raynell Andreychuk	
	ORDERS OF THE DAY
PUESTION PERIOD	Criminal Code (Bill S-11)
	Bill to Amend—Third Reading.
nance	Hon. Jean Lapointe
hanges to Budget 2005—New Brunswick—	Nederal Black Desay Week Bill (Bill C 20)
Effect on Refurbishing Point Lepreau Nuclear Power Plant.	National Blood Donor Week Bill (Bill S-29) Second Reading—Debate Continued.
on. Donald H. Oliver	Hon. Catherine S. Callbeck
on. Jack Austin	
tomic Energy of Canada Limited	Agriculture and Forestry
pproach to Marketing Nuclear Technology.	Committee Authorized to Meet During Sitting of the Senate.
on. Noël A. Kinsella	Hon. Bill Rompkey 1288 Hon. Marcel Prud'homme. 1288
on. Jack Austin	Tion, water true nomine

PAGE	PAGI
Canada Elections Act (Bill S-22) Bill to Amend—Second Reading—Debate Continued. Hon. Jack Austin	The Senate  Motion to Amend Rule 32—Speaking in the Senate— Debate Continued.
Rules, Procedures and the Rights of Parliament Third Report of Committee—Debate Continued. Hon Serge Joyal 1290	Hon. Terry Stratton130Hon. Bill Rompkey130Hon. Eymard G. Corbin130
Hon. Serge Joyal       1290         Hon. W. David Angus       1294         Hon. Jerahmiel S. Grafstein       1295         Hon. Marcel Prud'homme       1296	Referred to Committee. Hon. Eymard G. Corbin
Hon. John G. Bryden       1298         Hon. Francis William Mahovlich       1300         Hon. Joan Fraser       1300         Hon. Tommy Banks       1300	Israeli-Palestinian Question Inquiry—Debate Continued. Hon, Marcel Prud'homme









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OFFICIAL REPORT (HANSARD)

Wednesday, May 18, 2005

THE HONOURABLE SHIRLEY MAHEU SPEAKER PRO TEMPORE

## CONTENTS

(Daily index of proceedings appears at back of this issue).

Debates and Publications: Chambers Building, Room 943, Tel. 996-0193

## THE SENATE

Wednesday, May 18, 2005

The Senate met at 1:30 p.m., the Speaker pro tempore in the chair.

Prayers.

SENATOR'S STATEMENT

NOVA SCOTIA

DALHOUSIE MEDICAL SCHOOL MUSIC-IN-MEDICINE PROGRAM

Hon. Jane Cordy: Honourable senators, recently I had the opportunity to attend a concert, entitled "Tuned In To Words," at the Alderney Landing Theatre in Dartmouth. This concert was in support of the Margaret and John Savage Endowment Fund.

However, honourable senators, I want to speak today about the concert performers. In the fall of 1998, the music-in-medicine program was started at Dalhousie Medical School. Dr. Ron Stewart, a former health minister in Nova Scotia, is the Director of Medical Humanities at Dalhousie Medical School. Dr. Stewart is also the founder of the music-in-medicine program.

The program brings medical students, medical educators, doctors and members of the medical community together in song. The Dalhousie music-in-medicine program raises money for health-related causes.

Honourable senators, these medical students and their friends give so much of their time and talent to raise money for others. Despite end-of-term papers, exams and clinical obligations, they were not only willing but eager and energetic performers. The director of the "Tuned In To Words" concert in Dartmouth was a talented, enthusiastic young man, Jonathan Brake, from Corner Brook, Newfoundland, who is in his second year at the Dalhousie Medical School. He does a wicked impersonation of Sir Elton John

Honourable senators, these young men and women have given so much to our community in Nova Scotia. They perform not only in the Chorale, but some are members of a chamber vocal group called The Ultrasounds, and some are in a men's sextet called The Testoster Tones. To quote Dr. Ron Stewart:

Making music is a great release from the stress of medical school, but the Chorale does so much good in the community at the same time...and that makes us feel even better.

Honourable senators, a banner on the stage during the concert read "Good Music, Good Medicine." How fortunate we are that Dalhousie Medical School will graduate bright, enthusiastic, compassionate doctors who are using their musical talents to explore the humanistic aspects of medicine. I wish to take this opportunity to thank Dr. Ron Stewart and the music-in-medicine performers.

[Translation]

ROUTINE PROCEEDINGS

CRIMINAL CODE DNA IDENTIFICATION ACT NATIONAL DEFENCE ACT

BILL TO AMEND—REPORT OF COMMITTEE

Hon. Lise Bacon, Chair of the Standing Senate Committee on Legal and Constitutional Affairs, presented the following report:

Wednesday, May 18, 2005

The Standing Senate Committee on Legal and Constitutional Affairs has the honour to present its

TENTH REPORT

Your Committee, to which was referred Bill C-13, An Act to amend the Criminal Code, the DNA Identification Act and the National Defence Act, has, in obedience to the Order of Reference of Monday, May 16, 2005, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

LISE BACON Chair

The Hon. the Speaker pro tempore: Honourable senators, when shall this bill be read the third time?

On motion of Senator Pearson, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

[English]

CANADA GRAIN ACT CANADA TRANSPORTATION ACT

BILL TO AMEND—REPORT OF COMMITTEE

Hon. Joyce Fairbairn, Chair of the Standing Senate Committee on Agriculture and Forestry, presented the following report:

Wednesday, May 18, 2005

The Standing Senate Committee on Agriculture and Forestry has the honour to present its

#### SIXTH REPORT

Your Committee, to which was referred Bill C-40, An Act to amend the Canada Grain Act and the Canada Transportation Act, has, in obedience to the Order of Reference of Monday, May 16, 2005, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

#### JOYCE FAIRBAIRN Chair

The Hon. the Speaker pro tempore: Honourable senators, when shall this bill be read the third time?

On motion of Senator Mitchell, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

(1340)

#### **BUSINESS OF THE SENATE**

MOTION TO RESUME REGULAR ADJOURNMENT PROCEDURE AND AUTHORIZE COMMITTEES TO MEET DURING SITTING OF THE SENATE ADOPTED

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(a) and the order of the Senate of November 2, 2004, I move:

That today, Wednesday, May 18, 2005, the Senate continue its proceedings beyond 4 p.m. and follow the normal adjournment procedure according to rule 6(1); and

That committees of the Senate scheduled to meet today be authorized to sit even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

The Hon. the Speaker pro tempore: Is leave granted?

Hon. Senators: Agreed.

Motion agreed to.

#### STATE IMMUNITY ACT CRIMINAL CODE

BILL TO AMEND—FIRST READING

Hon. David Tkachuk presented Bill S-35, to amend the State Immunity Act and the Criminal Code (terrorist activity)

Bill read first time.

The Hon. the Speaker pro tempore: Honourable senators, when shall this bill be read the second time?

On motion of Senator Tkachuk, bill placed on the Orders of the Day for second reading two days hence.

#### THE SENATE

#### TRIBUTE TO DEPARTING PAGES

The Hon. the Speaker pro tempore: Honourable senators, I have the honour to mention the names of two more pages who will be leaving.

Janelle Boucher is a proud Nova Scotian from the small northeastern community of Monastry. Next year she will be busy finishing an honours degree in political science and communications at the University of Ottawa. She considers herself incredibly lucky to have been given the opportunity to participate in the Page Program and to meet all the fascinating people she has within the Senate and beyond.

Though one is never sure what the future will hold, Janelle expects that travel will be somewhere in her picture. She will undoubtedly never forget the kindness and smiles of honourable senators and hopes that we will not forget hers either.

Hon. Senators: Hear, hear!

[Translation]

David Bousquet, from Saint-Hyacinthe, Quebec, recently finished his degree in science and philosophy.

[English]

He looks forward to using his newly available time to get involved a little more in local and provincial politics, especially with the Board of Education, to which he was elected two years ago. His experience as a Senate page will certainly inspire his leadership and values throughout his life.

Hon. Senators: Hear, hear!

## ORDERS OF THE DAY

#### MIGRATORY BIRDS CONVENTION ACT, 1994 CANADIAN ENVIRONMENTAL PROTECTION ACT, 1999

BILL TO AMEND—THIRD READING— DEBATE SUSPENDED

Hon. Elizabeth Hubley moved third reading of Bill C-15, to amend the Migratory Birds Convention Act, 1994 and the Canadian Environmental Protection Act, 1999.

#### POINT OF ORDER

Hon. Willie Adams: Honourable senators, if I may, I would like to explain what happened in the Energy Committee yesterday during its review of Bill C-15. The committee was supposed to give the bill clause-by-clause consideration. I was not aware that

the committee room assigned for the meeting had been changed and was therefore delayed in getting to the right room. In the meantime, I was replaced by another senator and was unable to vote on the motion to deal clause by clause with Bill C-15.

The Hon. the Speaker pro tempore: Senator Adams, order.

Senator Stratton, is it understood that Senator Adams has 45 minutes?

Hon. Terry Stratton (Deputy Leader of the Opposition): I believe that Senator Adams is raising a point of order.

**The Hon. the Speaker** *pro tempore*: Senator, are you reserving 45 minutes for your time to debate this bill?

**Senator Stratton:** Are we on a point of order with respect to Bill C-15 or is this a separate point of order?

Hon. Bill Rompkey (Deputy Leader of the Government): We are on Bill C-15.

**Senator Stratton:** I would therefore like to reserve the right for our side to have 45 minutes to speak. Is Senator Adams recognized now as the first speaker on the Liberal side?

Senator Rompkey: No.

Senator Stratton: Therefore he has 15 minutes. It is a point of order.

The Hon. the Speaker pro tempore: Point of order, Senator Adams.

**Hon. Elizabeth Hubley:** Honourable senators, I wonder if I might clarify if this is indeed a point of order on Bill C-15 or if it is a point of order on another matter.

**Senator Adams:** It is a point of order on what happened yesterday morning at the committee hearing.

Committee members received a message from the chairman last Thursday. Somehow the time was changed and the room changed on Monday night. We usually meet in room 257 East Block, and yesterday I was lost and could not find the committee. I found out it was over at the Victoria Building, but by the time I got there the bill had been passed by a motion, with no clause-by-clause consideration.

#### • (1350)

I have been in the Senate for 28 years and, according to the rules here, we usually do clause-by-clause consideration before we pass a bill. However, yesterday Senator Milne moved a motion to dispense with clause-by-clause consideration, and that motion passed, although the chairman was not happy about it, and Bill C-15 was passed.

I attended the committee meetings on Bill C-15, and I was very concerned about that criminal aspects of it. More than 300,000 birds die every year as a result of oil spills.

The committee hired an independent lawyer to ensure that it was on the right track. We also heard testimony from constitutional lawyers and lawyers who are expert in international law to ensure that this is good law.

It was a very strange thing that happened yesterday. It is not very often that we pass a bill without clause-by-clause consideration. In clause-by-clause consideration, the last thing to pass is the title. Once the title is passed, the bill has been passed by the committee, but, as a result of the motion that was passed yesterday, there was no clause-by-clause consideration.

I do believe that the bill is good law.

On Monday afternoon at 3:45, the Minister of the Environment gave a press conference with animal rights groups and said that the bill was still in the Senate committee and had not yet been passed.

I asked the witnesses before the committee from the animal rights groups whether they were involved in the drafting of the bill with the government, and they said that they were not involved. Therefore, why, on Monday afternoon, did Minister Dion give a press conference with animal rights groups to say that the bill would be passed in the Senate yesterday? I do not believe that a minister can announce that a bill has been passed until it has received Royal Assent. I believe that that is typical of the government, much as it likes to rewrite the past.

I attended every committee meeting and I can say that the committee made sure that it dealt with this bill in the proper way.

My point of order is that I do not know whether Bill C-15 was legitimately passed by the committee without clause-by-clause consideration.

Hon. Tommy Banks: Honourable senators, Senator Adams has raised two or three points, some of which have to do with the bill itself, which I will address later, if the opportunity arises during debate. However, I would now like to address his point of order with respect to the procedure of yesterday.

The practice to which Senator Adams refers is set out in Chapter 16 of Marleau and Montpetit on page 650, in a paragraph headed "Consideration of the Clauses," which refers to study and voting upon bills by committees of Parliament.

The first sentence says:

Each clause of the bill is a distinct question and must be considered separately.

That is true, and I suppose it once might have been the case that that practice was always followed. However, it has become the case, with some frequency in my very limited and short experience here, that that is not always the procedure followed.

When we convened yesterday to consider the bill, the first motion that was made was that clause-by-clause consideration be dispensed with and that the bill be considered in its entirety and reported unamended to the Senate. Based on the fact that Senate committees are masters of their own procedures, and since I had seen that process followed several times, including on contentious bills, I ruled that that procedure was, in fact, in order. The motion was passed by a vote of seven to three, and it was therefore determined by the committee that the bill would be reported to the Senate unamended.

As to the issue of the timing of the meeting, I apologize to Senator Adams and other senators for the inconvenience. However, we are governed in that case, as in all things, by the rules and procedures of the Senate. I had fully anticipated that there might be some time spent in discussion of that bill in committee and had, therefore, asked for an instruction from the Senate to sit yesterday morning, Tuesday, at nine o'clock, in addition to our regular Tuesday sitting time of five o'clock, because I thought we might need that much time.

I gave the notice to that motion, which is required to be given in advance of the motion, unless I were to receive leave of the house, last Thursday evening. The motion, therefore, to instruct the Senate committee to sit on Tuesday morning at nine o'clock was dependent upon the passage by the Senate of a motion at its sitting of Monday evening. "Motions" is, as we know, the last item on the Order Paper.

That vote occurred here in the Senate at 8:33 p.m., by virtue of which the Senate instructed the committee to meet Tuesday morning at nine o'clock. At 8:34 p.m., notice went out to every member of the committee that, first, the meeting was to take place at 9 a.m. Tuesday and, second, that the committee would meet in a room different from our usual meeting room, although a room in which we have met before. Every member of the committee received the notice in the same way at the same time. Therefore, I regard yesterday's proceedings as correct and in order.

Hon. W. David Angus: Honourable senators, I am quite interested in Senator Adams' point of order and am very sympathetic to the points he has made, having been present at the committee and being cognizant of what Senator Banks just stated, namely, that in addition to the three hours yesterday morning we may well have needed two hours yesterday evening to consider clause by clause this very complicated bill, which had been the subject of three months of study during which we had 12 sessions and heard 42 witnesses.

#### (1400)

Honourable senators can imagine my surprise when I arrived yesterday morning in the correct committee room, only to find that Senators Adams and Lavigne were not present, even though their opposition to the bill was well known. Suddenly, a motion was made to dispense with clause-by-clause consideration of the bill, the result of which was total confusion. The record is clear. I have a copy of the transcript. I am sure Her Honour will wish to refer to the transcript in your consideration and adjudication on this motion.

The reality is that, for whatever reason, Bill C-15 was dealt with very quickly, before all senators who are members of the committee and who were prepared could be there to deal with

the matter. The committee had even hired outside counsel to guide members in regard to clause-by-clause study. The motion to dispense with clause-by-clause consideration was passed by about 9:03. As I said yesterday, it was game over at that point. There was no discussion allowed.

I do not wish in any way to impugn the chairman; he was clearly surprised by the motion. The whole thing was over before anybody really understood what had happened.

Honourable senators, a long discussion ultimately took place and the bill was reported, because we were told by the chairman that it was quite in order that there be no clause-by-clause study. Rightly or wrongly, no one raised a point of order or a complaint at the time. Thereafter, the bill was reported with observations attached to the report.

Honourable senators will be able to see that this was not a normal procedure for a piece of legislation. I have not been here as long as many of my fellow senators, but I have been here since June 13, 1993, and as such have been in committees where we have been informed that a bill is a housekeeping matter. In such a case, at clause-by-clause consideration, the chairman or the deputy chairman will often say, "Honourable senators, are you prepared to move that we dispense with clause-by-clause consideration?" I acknowledge that that is a practice that I have observed happening from time to time in committees of this place.

However, with legislation as complicated as Bill C-15, with clear division on the committee, lawyers having been retained and senators ready to debate amendments that had been prepared by the legislative offices in English and French that were to be introduced, they may not have passed, but those amendments ought to have seen the light of day.

Therefore, I support Senator Adams in his point of order. The events yesterday were outrageous. I say this without impugning the chair or the deputy chair, because it was an unusual circumstance. I must admit that many of us were in a state of shock well into later in the day, notwithstanding other events that occurred yesterday, honourable senators, which were equal causes of shock.

Senator Rompkey: Honourable senators, I do not wish to repeat the arguments and the narrative given by Senator Banks. The honourable senator adequately covered the process that was followed. That process was, as he has said, correct.

. It is unfortunate that word did not reach Senator Adams' office, but I am satisfied that word was sent out after the procedure was followed. Senator Banks gave notice of his motion, he moved the motion. Once the motion was passed, notice was sent to senators' offices.

The whip did her job. The responsibility of both whips is to fill whatever gaps there may be in committees, particularly if clause-by-clause consideration of proposed legislation is taking place. Although Senator Losier-Cool anticipated that Senator Adams would be at the meeting in the morning, he did not get to the meeting because he was not able to read the notice that had been sent to his office.

Likewise, we were informed by Senator Lavigne that he would not be attending the meeting that morning. The whip replaced members on our side, as she does regularly and as is her responsibility. I am satisfied that proper procedures were followed in that respect.

I wish to read to the Senate from page 42 of *Rulings of Senate Speakers 1984-1993* on the point of order. A point of order was raised by Senator Murray in 1990 on exactly the same situation with regard to practices in committee. The Speaker ruled, in part, as follows:

... the essence of his point of order is that because the Banking, Trade and Commerce Committee did not conduct a clause-by-clause study of Bill C-62, the Senate should not proceed at this time with the consideration of the report.

The Speaker's ruling continues:

Traditionally, Senate Committees are masters of their own procedure and some have made use of the clause by clause procedure while others have not.

The Speaker at that time ruled that he could not uphold the point of order raised by Senator Murray.

I have been here since 1995, prior to which I was in the House of Commons. It has been my experience that sometimes clause-by-clause consideration is followed while at other it is not. The committee in question is the master of its fate, and the decisions were taken correctly by Senator Banks.

It is unfortunate that Senator Adams was not at the committee at the time. I understand his concerns, and I share those concerns, specifically, 300,000 birds are being killed a year. I was born on an island, and I know that these things happen in that region, too.

Your Honour, as far as I can see, there is no point of order.

Hon. John Buchanan: Your Honour, I was told by Senator Adams that he planned to raise this point of order, and I told him that I would be here. I apologize for not being here earlier; I had some visitors from Nova Scotia to look after. They are seated in the gallery. It is nice to have them here. I must say something about Nova Scotia whenever I have the chance.

An Hon. Senator: We have noticed.

Senator Buchanan: I have a few comments about the point of order. As I said, I was aware that Senator Adams planned to raise a point of order, and I know he is upset. I was present at the committee meeting.

Even if the procedure were properly followed, I believe that I am not out of line in saying that even the chairman was somewhat surprised when the motion was put to dispense with clause-by-clause consideration of the bill. On reflection, in addition to not proceeding to clause-by-clause consideration, I do not think we passed the title of that bill. That may be neither here nor there.

I have been in this place since 1991. Prior to that, I was in another legislature for 24 years, so I know procedures well. Honourable senators, I was taken aback by how quickly this matter occurred yesterday. There are two members who were not present who did arrive within minutes of the motion being made and passed. Three of us objected to the motion, but it passed nonetheless.

I sympathize with Senators Lavigne and Adams, who walked in, it is safe to say, three or four minutes after the motion was passed. I understand the chairman's reluctance at that time to revert to clause-by-clause consideration, because the motion was already passed.

• (1410)

It is unfortunate, because we also had legal counsel for the committee present, to answer any questions raised during clause-by-clause consideration, but we never had the opportunity to do even that. We had other legal opinions. I suspect that, when the bill comes up, we will debate them. The way in which circumstances developed yesterday is unfortunate, including the fact that two members did not have an opportunity to become involved in the debate on the motion. It is also unfortunate that, as a committee, we did not get the opportunity to consider the bill clause-by-clause, including the title.

Hon. Marcel Prud'homme: My office was called, but I was at a meeting of the House of Commons Foreign Affairs and International Trade Committee, where, at the last minute, they invited the Senate Foreign Affairs Committee to engage in an exchange with the delegation from the Shura of Saudi Arabia. I was asked to give consent to sit after 4:00, and I did not rush to say no. I know it is late, so I can live with that.

However, it would distress me to see the Senate begin to do what I resented most in the House of Commons and what I resent is happening in the Quebec National Assembly. We arrive at the last minute — the last minute of what, I do not know. There is no last minute for me. An event that may take place tomorrow is irrelevant to what we are doing today in conducting our affairs. This is the Senate of Canada. We are not a replica of the National Assembly of Quebec or a replica of the other chamber. At the last minute, for reasons unknown today, we have had pushed on us a bill that may not have met the satisfaction of a man I respect so much, Senator Adams. This is not the way the Senate of Canada should conduct its affairs.

I wish to inform those honourable senators who think that bill can be passed today that there are other options — we can introduce an amendment — if that is the way you want to conduct your affairs I have not spoken to the Conservatives about this proposal.— I hope someone will put an amendment. The amendment will be debatable and votable, but the final vote on this issue will not be taken today because I will be the one who will say, "At the next sitting of the Senate."

Your Honour, I urge you to consider strongly the point I am making. Is there a national urgency to pass a certain bill that seems to be so important to Senator Adams? We see again a bill,

for the fourth time, on the question of the treatment of animals. Again, we see a lack of sensitivity. We keep talking about sensitivity to the First Nations. We are good at making speeches, but when it is time to apply sensitivity to their feelings, we send Her Majesty the Queen of Canada. The first people Her Majesty met in Saskatchewan were First Nations people. Are they only there for photo ops, or are they also there out of respect?

I put to you what has been said by Senator Buchanan and others, that we may consider the fact that, rules aside, we are the Senate, and we should not behave in such a manner. I have had strong feelings for Senator Adams, ever since I met him years and years ago. He may not be as at ease here as some of you are. He and I have that in common. I am speaking to you in a language other than my first language, and I try to be at ease.

On that note, I thank Senator Hubley, who corrected me yesterday. I learned two new words. I also thank Senator Fraser, who corrected one of my words yesterday.

I keep going on every day. Do not make me upset, because I will go on for hours in French. On behalf of those who may not want to get up today, I hope we will finish this question of receiving bills at the last minute for reasons unknown to us, reasons that should not influence the Senate of Canada. Otherwise, we will be a replica of another chamber. God knows we have enough of one chamber and do not want two that look alike.

#### [Translation]

Hon. Raymond Lavigne: Honourable senators, I asked my secretary to call the whip's office to tell them that I would be away on Monday, because I was going to have to be in Montreal to advocate in the Shriners Hospital file, but that I would be back on Tuesday morning. I left home at 3:45 to be here in time. Like Senator Adams, I had been told the meeting was being held in the East Block. I went there and had then to go to the Victoria Building.

Last week, the chair of the committee asked me whether I would be attending the meeting and told me he would begin clause-by-clause consideration of Bill C-5. I am not saying the process is illegal. I am simply saying that we worked months on a file, and, as we were about to finish, a motion gets passed and, poof, it is all over. There is nothing more to be said. I had, however, been told that the committee would begin clause-by-clause consideration of the bill.

This morning, my secretary had to call the clerk of the committee to find out whether it would be sitting tomorrow morning. The answer was no, the committee would not be sitting tomorrow morning. I called Ms. Hogan, the clerk, to find out whether I was still a member of the Senate Standing Committee on Energy, the Environment and Natural Resources. She told me I was, that I had simply been replaced yesterday. I do not understand any more. Am I a member of the committee or not? When we miss committee meetings, the whip tells us we are not attending our committee meetings. We do, from time to time, have work to do outside Ottawa for causes such as the Shriners

Hospital, for example. We have work to do on site as senators. It is part of our job, and I do it.

When I arrive at a meeting of my committee and everything is finished, I do not understand why I have been made to work for months and then, all of a sudden, I am no longer a member. My secretary told the whip I would be present on Tuesday. When I arrive, why am I all of a sudden being recorded as absent? When we are absent, the whip asks for our reasons and informs us that he will remove one day from the 21 we are allotted for absences. I spoke up this morning in the Quebec caucus.

Senators Gill and Watt often say they have a hard time being heard and understood. As senators, we have to be responsible for what we say and what we do. Senator Prud'homme put it very well earlier. It is important we remain Canada's upper house. If we have to adopt bills and we say we will do a clause-by-clause study, we should do it. If there are changes in schedule or location, they should not be made at the last minute when our staff has left for the day.

• (1420)

[English]

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I wish to participate in helping Her Honour deal with a question of order as raised by my the Honourable Senator Adams.

Notwithstanding the citation of Senator Rompkey, rule 96(7) states the following:

Except as provided in these rules, a select committee shall not, without the approval of the Senate, adopt any special procedure or practice that is inconsistent with the practices and usages of the Senate itself.

That is the key point that I would like to make. If there is agreement in committee to expedite the clause-by-clause analysis of a bill, that is one thing. We often expedite matters in the chamber if there is unanimity. Where it is clear there is no unanimity and an honourable senator who is a member of the committee wishes to move an amendment, senators have the right to move amendments in the study of a bill in committee, just as they have that right when we are at third reading on a bill in the chamber.

Rule 96(7) says that we must operate in a manner that this is consistent with the practices of the Senate. The practice of the Senate is always to give full opportunity to senators who wish to bring an amendment to a bill. We cannot bring an amendment to a bill at second reading; that is out of order. We cannot bring an amendment to a bill at first reading; that is also out of order. There are only two opportunities to bring an amendment to a bill, either at third reading in this place or at committee.

To bullishly cut off an honourable senator in committee who wishes to bring an amendment to the analysis of a bill where there is no unanimity to proceed with clause-by-clause consideration in a holistic fashion is to act in a manner inconsistent with the way

we should be acting. In the chamber, it is clear that honourable senators have the opportunity and the right to bring an amendment before the chamber. It is not to adjudicate as to what its fate would be.

Why would honourable senators go to a committee and hear all the evidence but never have an opportunity to digest that evidence and conclude their study by bringing forward propositions that certain clauses should be amended? It is totally inimical to the situation.

We can look back at other experiences where committees have used this practice. There may have been slippage. I have not done the research because I just heard the point of order a few moments ago.

We will find in most cases that there is an agreement in the committee to deal with clause-by-clause consideration in a holistic fashion. I do not think there has ever been an attempt in committee to block an amendment from coming forward. That is fundamentally wrong, and the principles contained in the rule that I have just cited would help the Speaker to make that clear. This is an important matter.

I happen to support the bill in question, but that is another matter. I am very concerned with the improper procedure that has occurred. There is no clarity as to whether clause-by-clause consideration can be done holistically when it is known that a member of the committee wants the opportunity to bring forward an amendment

Let me turn to a second issue that has been raised, one that Her Honour should reflect upon. We have heard honourable senators tell us this afternoon that their judgment had been removed from a committee by the whip because they did not agree with the proponents of a bill.

Senator Losier-Cool: That is not what happened.

Senator Kinsella: Allow me to rephrase. As I heard it articulated here, some honourable senators felt they were not working on the committee. They had been elected to these committees, and I wish to underscore this point. As senators are elected by the Senate chamber to be members of committees, it seems to me that removing a senator from a committee should be done in consultation with the senator who has been elected to that committee and with the consent of that senator.

Another rule stipulates that the leader of either side can make substitutions. We need to look at that case. What if the senator who is being replaced does not want to be replaced, if the Senate itself has elected that senator to the committee? That is a conflict that should be examined.

**Hon.** Lowell Murray: Honourable senators, I have heard enough of the debate to recognize certain discussions we had in this place on a point that I raised myself as long ago as 1990.

The traditional way that Houses of Parliament dealt with bills after second reading was to give clause-by-clause consideration in Committee of the Whole. Plenty of us around here are old enough to remember when that was the practice, both in this place and in the House of Commons.

In relatively recent years, the Senate has taken to sending bills to standing or special committees for that purpose. We would like to think that the purpose of the committee stage is to hear from interested parties, and that is an important add-on to the process, but the purpose of the committee stage is to do clause-by-clause study.

Senator Cools: That is right.

Senator Murray: A few years ago, after a ruling which I believe was adverse and was wrong on this matter, I took the occasion to consult people who have served in both Houses of this Parliament. They must be nameless because I am not at liberty to say who they are. The point they made to me was that the clause-by-clause study of a bill is as essential to the parliamentary process as first, second or third reading. I conclude by saying that we can no more dispense with clause-by-clause consideration by majority vote than we can dispense with second or third reading by majority vote.

I hope that serious consideration will be given to the points that I have already heard raised and to the legitimacy of using a majority to dispense with an essential part of the parliamentary consideration of a bill.

[Translation]

• (1430)

Hon. Rose-Marie Losier-Cool: Honourable senators, I think it is important to clarify what happens when there are substitutes in committee. It often happens that a senator is replaced at a meeting. If he feels he cannot attend, he is not removed from the committee. Senator Lavigne is still a member of the committee, and if he did not get notice of tomorrow's meeting it is because the chair has not called one. Senator Lavigne is still a committee member; he is not off the committee. He was replaced instead, at his request, because he was absent. He knew he would be late. Those are the facts.

Senator Lavigne: Honourable senators, Madam Whip tells me there is no meeting tomorrow, but I have one listed on my agenda for eight o'clock tomorrow morning. The clerk responsible for notifying members that there will be no meeting called everyone but me. My secretary had to call her to find out if there was a meeting. You can ask my secretary. The clerk truly did not call. All I knew was that I had to attend a committee meeting at eight in the morning.

The clerk called everybody with her apologies for having temporarily struck me from the list of committee members and indicated that I would now be put back on.

[English]

Hon. Anne C. Cools: Honourable senators, I would like to speak to this point of order, especially in support of what Senator Kinsella had to say. I also wish to thank Senator Murray for bringing forward his viewpoints on the question.

Honourable senators, a bill moves through this chamber as a thing in motion. The language is always about moving it along. There are many stages of the consideration of a bill, and Senator Murray is correct in saying that clause-by-clause consideration is one of those stages.

This current trend, as was encouraged by the motion of Senator Milne in the Senate committee on Tuesday, May 17, to dispense with clause-by-clause consideration, is one of those continuing pernicious practices. Indeed, it is extremely pernicious and unparliamentary. These pernicious and mischievous practices keep creeping into our existence. I have raised many objections, in several committee meetings, to this particular practice.

A committee is a delegated authority. In other words, a committee exists to obey an order that is given to the committee, and the order is usually called an order of reference. The committee is ordered to study and to consider the matter, as Sir Reginald Palgrave would have said, so as to be able to assist the house in its conclusions.

Honourable senators, the only procedure a committee has of really proving to the entire house that all the members have wrapped their mind around every single word of a bill is the clause-by-clause consideration. This language has a very important history. They call it the "reading of bills" because members were supposed to read them. We know that we live in an era where many members do not read bills, but the term "reading" meant they literally had to read.

There was a time when first, second and third reading of bills were actually done clause by clause. Clause by clause is an indispensable part of consideration and debate on a bill because it is the only proof that the entire house has that the committee actually did obey the reference and the commands that the house gave to it to study and to consider the bill.

Many senators have raised the important issues of being able to make amendments or not being able to make amendments. Those are all very important, but the fact of the matter is that the only way the committee can express its opinion on the bill is in its clause-by-clause consideration where all the members of the committee make a judgment on every single line of the individual bill.

Honourable senators, it is of great concern to me that many shabby habits are creeping into this place but galloping in. I deplore and condemn them. Whenever I am in a committee, I try, wherever possible, to make sure that the proper rules or practices are followed. The mere fact that this question is even before us is proving the point and proving the concern.

We hear quite often that a committee is a master of its own procedure, but the fact that a committee is a master of its own procedure or its own house — however the expression goes — means it is a master within the established rules and customs of the law of Parliament. A committee is not a master of its own affairs so as to be able to say that it can dispense with making a report to the house. If the other side across the way is arguing that the committee can dispense with clause-by-clause consideration, I would argue that it can also dispense with reporting the bill back to the house.

Then if the committee can dispense with all of those things, then the chamber can dispense with a whole bunch of other things, including first, second and third readings. It is not beyond the realm of possibility.

There was a particular minister, a House leader on the other side, who was a great believer that three readings was a total waste of time.

Senator Mercer: Name him.

Senator Cools: He shall remain nameless.

Some of these customs and practices are centuries old. All of practices around the stages of a bill and the stages that bills should go through in terms of first, second and third reading can be dated. I have been able to find references to three readings dating back to the 1300s.

It is improper and impossible to argue, quite frankly, that shabby performance or that shoddy practices in committees can produce good and fine work.

Honourable senators, in closing, I sincerely subscribe to the notion that clause-by-clause consideration is an essential part of the study of this bill, and that the committee does not have within its powers to dispense with it because it only has powers that the house has given it, and this house has never given a committee any powers to dispense with clause-by-clause consideration.

• (1440)

I would also go a little bit further, honourable senators. I would say that to dispense with clause-by-clause consideration of a bill is to defeat the order from the House and would disqualify and disable the bill from proceeding any further, because a very critical stage in the review of the bill has been ignored.

Honourable senators, I would like us to understand that many of these kinds of practices have become commonplace. I wish that we could wrap our minds around this whole phenomenon. This is a very special place. We work within a set of trusts that have been transmitted to us for many centuries. We have a duty to uphold those trusts and to bring forth legislation that has received proper consideration by all senators.

Honourable senators, many senators raise speakers' rulings in this place. My experience is that many speakers' rulings are quite mercurial, fluid and often do not speak to the law of Parliament, but rather, to the political masters of the speakers. I would urge Her Honour today to understand very carefully that these dimensions of the consideration of a bill are indispensable to the proper operation of a House of Parliament. If we dispense with those, we have dispensed with things parliamentary. It is a serious problem.

**The Hon. the Speaker** *pro tempore*: I suggest that we go very briefly to a second round, as long as honourable senators keep it brief. I have heard quite a few important recommendations.

Senator Banks: Honourable senators, some of us have been misunderstood. We have gone off in a slightly wrong direction here and have to get ourselves back to the question, which is, as I understand it, can this bill now proceed properly? That is the question. If I understand Senator Adams' point of order correctly, it is that we should not now proceed with this bill because the proceedings yesterday were out of order.

I want to make a couple of points about that view. First, as Senator Lavigne can plainly see, there is no difficulty standing up and being heard in this place, on the part of any of us. All we have to do is stand up and speak. The second thing is that it is not possible, Senator Lavigne, that a notice was sent out indicating that the meeting of Tuesday morning at nine o'clock was to be held in room 257 of the East Block. That is not possible. I know for a fact that did not happen.

I apologize again for the inconvenience, which was caused by the procedural necessity of giving notice of a motion and at the next sitting moving the motion, which occurred at the end of the sitting, less, as it turns out, than twelve-and-a-half hours before the beginning of the meeting, but those are the procedures of the house.

The second thing is that the Leader of the Opposition has characterized it correctly when he referred to the observance of the question of clause-by-clause consideration, or non-observance, as a matter of slippage. I think that is a perfectly good term. We perhaps have slipped in that respect. However, the rule to which the Honourable Leader of the Opposition referred said that we were constrained in our operations in committees by the practice of the Senate, including its committees, rightly or wrongly, of from time to time not proceeding clause by clause. Whether that is right or wrong is not part of the point of order.

Senator Rompkey quoted the Speaker's ruling from the Rulings of Senate Speakers of 1990, and this is what Senator Murray referred to. I want to read something further from it. The argument was that the Senate should not proceed further after reporting with the consideration of that report. The Speaker said:

As some senators noted ... it appears that this procedure —

— by which the Speaker meant clause-by-clause procedure, literally —

— has not always been followed by Senate Committees. Traditionally, Senate Committees are masters of their own procedure and some have made use of the clause by clause procedure while others have not.

Here is the cogent part, honourable senators, in support of my argument that there is no point of order:

The Chair is not being asked to decide whether or not Senate committees should study bills clause by clause.

That is not the question that has been asked. I resume the quote:

It is more proper that this question be decided by our Standing Rules and Orders Committee and by the Senate as a whole than by the Speaker. The Chair is being asked, however, to decide the question that because a certain practice or rule was not followed in a committee, should a subsequent proceeding flowing from the deliberations of the committee be delayed?

As I ruled earlier today ... it does not appear feasible that a proceeding can be prevented from happening simply because a question of privilege, or in this case a point of order, has been raised regarding alleged infractions of the rules or practices of the Senate by a committee or its Chairman.

I will skip several paragraphs and end with the quote that Senator Rompkey referred to earlier.

I cannot uphold the point of order raised by Senator Murray.

That is exactly the same point of order that I understand has been raised by Senator Adams. Therefore, honourable senators, there is no point of order.

Senator Day: Res judicata.

Senator Angus: Honourable senators, I would respectfully disagree with our colleague Senator Banks and I would say, once again, having heard the arguments, which I found very persuasive in favour of this point of order, I believe that what we need to find is a solution to a difficult situation.

If one, as I am sure Her Honour will do, reads the transcript, she will see what transpired yesterday. I would simply share with honourable senators who have not read the transcript that I, as temperate and as calm an individual as you know me to be, characterized the proceedings as a kangaroo court. It was very, very bad, and it shocked my very sense of natural justice, honourable senators. The very principles of natural justice were violated, in my view. I had amendments and everyone knew I had them. They were in my hands translated and there were copies for everyone, even the poor senators who were slipped away to another building.

What I suggest to you, Your Honour, in seeking a solution is that the logical conclusion to this well-founded point of order is to refer the bill back to the committee with an instruction that we carry on with clause-by-clause consideration, and let nature, the proper legislative process, unfold as it is decreed in the rules.

One last comment on the alleged precedent that Senator Murray was personally involved in some years ago, I think you should take note, Your Honour, of Senator Murray's statement that that was a wrong ruling for reasons which he cogently outlined to you.

#### (1450)

Quite frankly, we did not even approve the title of the bill, let alone clause-by-clause consideration. I understand from those who are more learned than I in the rules of this place and the precedents relating thereto that this, in itself, eviscerates the process. I submit that this bill is not properly before this chamber at this time and should be referred back to committee.

Senator Adams: Your Honour, I do not want to say too much. I have a copy of Senator Murray's point of order on September 26, 1990.

Beginning with what happened last Thursday morning during the committee meeting, Senator Milne put forward a motion for clause-by-clause consideration of the bill. However, the chairman said the deputy chair was not available; she was in Newfoundland with another committee. Senator Lavigne and I voted against Senator Milne's motion last Thursday morning that clause-by-clause consideration of the bill would take place at the next meeting of the committee. Yesterday morning, the committee moved to clause-by-clause consideration of the bill.

I wanted to ensure that the committee gave the bill clause-byclause consideration because we heard from 42 witnesses, many of whom did not agree with Bill C-15, which has to do with international law.

Senator Murray's point of order on Bill C-62 in 1990 concerned the thirteenth report of the Standing Senate Committee on Banking, Trade and Commerce, the subject matter of which was international law. Shippers in England came here to explain to the committee how the system worked. We did not only hear from Canadians. In this case, we are talking about something that is international in nature, not only about Canadians. I think Bill C-15 is a little different from Bill C-62, as are the Speaker's ruling in 1990 and Senator Milne's recent motion.

I say again to both the leader and the whip that there are rules in the committee. The chairman must wait for a quorum, which he did not do. I was replaced by another senator, and someone took the place of Senator Lavigne, without notice to the chairman that I would not be there. If I cannot attend a committee, I can let the whip know and someone can replace me. However, the whip did not do that. When I arrived late, the other senator was already there in case I voted against the bill. If I had wanted to vote against the bill, I could have made my concerns about the bill known here. However, I did not do that, because I was not going to vote against the bill yesterday. I just wanted to make sure that

we heard from our legal counsel, Mr. Gold, and from Mr. Sharpe, as to the international law of shipping and its implications for this bill.

I only wish to add to my concern that the committee should have conducted clause-by-clause consideration of this bill. That is proper procedure according to our rules. I think we should not say, "I am a friend of the minister and he wants to pass this bill today." We all have friends and we want to make sure we do a good job. I have been here for so many years that this has happened to me twice, in particular with respect to the Tuktut Nogait National Park bill quite a few years ago. As everyone knows, I opposed that bill for the simple reason that we cannot protect animals in a park because they are free to move anywhere.

I do not know how the department came up with the figure of 300,000 birds killed each year by oil. The Sierra Club came before our committee and I asked them, "How many members do you have?" I was told, "This year, we have 300,000 members." That is the same number of the birds being killed every year. How do you do that? It is strange. I asked them how they came up with that number, but they could not give me an answer. I find that difficult to understand.

Honourable senators, something must be done, either in clauseby-clause consideration in the house or in committee.

Senator Murray: Honourable senators, I want to reinforce one or two points. The issue here is not whether a committee or the Senate is the master of its own rules. I think we all accept that we are the master of our own rules and procedures.

However, in just about all the cases with which I am familiar, clause-by-clause stage is dispensed with by unanimous consent. The issue here is whether this vital stage of the legislative process can be dispensed with by majority vote, thus precluding an honourable senator who was standing, I am told, from putting forward a sheaf of amendments that he wanted to propose.

On its face, it is outrageous that the majority should be able to do this. I think very serious consideration must be given to this matter. We ought not to be bound — and we are not bound — by the ruling given by Speaker Charbonneau in 1990. The Senate will be aware that our practice here is to accept as a precedent a Speaker's ruling that has been upheld after an appeal. My recollection is that there was no appeal of Speaker Charbonneau's ruling. Therefore, Her Honour is at complete liberty to do the right thing.

Senator Kinsella: Honourable senators, I want to place on the record several citations from Beauchesne's 6th edition, which Her Honour no doubt will find helpful.

On page 205, paragraph 688 reads as follows:

The function of a committee on a bill is to go through the text of the bill clause by clause and, if necessary, word by word, with a view to making such amendments in it as may seem likely to render it more generally acceptable.

On the same page, paragraph 690 reads:

Unless the committee otherwise orders, the text of a bill is considered in the following order:

Clauses. New Clauses. Schedule. New Schedules. Preamble (if any). Title.

Paragraph 691(1) states:

The clauses of a bill in committee must be considered in their proper order; that is, beginning with Clause 1...

Furthermore, page 206, paragraph 694, reads as follows:

Amendments may be made in every part of a bill, whether in the title, preamble, clauses or schedules; clauses may be omitted; new clauses and schedules may be added.

• (1500)

Clearly, the whole of the procedural literature is indicating and envisaging that the opportunity to bring amendments forward must be respected by the committee. I would commend those citations to Her Honour.

Senator Banks: If I may, I would ask Senator Kinsella to reread the paragraph in the first citation to which he referred that begins with the word "unless"?

Senator Kinsella: Yes. It is paragraph 690:

Unless the committee otherwise orders, the text of a bill....

**Senator Prud'homme:** Since we have been told by our honourable colleague, Senator Angus, that, in the urgency of passing Bill C-15 yesterday in committee, the title was not voted on, I just wanted to ask, what are we talking about now? There is nothing in front of us if the title has not been passed. Am I clear?

I am sure Mr. Speaker must be happy to be out of the Senate today.

Senator Cools: What is before us?

The Hon. the Speaker pro tempore: I should like to thank honourable senators for their comments on this point of order. I would ask honourable senators to indulge me, to give me permission to leave the chair for about 15 minutes, in order to come back with a ruling as soon as possible.

Hon. Senators: Agreed.

Senator Prud'homme: Take the day off!

The sitting of the Senate was suspended.

• (1520)

The sitting of the Senate was resumed.

The Hon. the Speaker pro tempore: Honourable senators, I will proceed with my ruling on the point of order of Senator Adams. Bill C-15 was given second reading in the Senate on February 2, 2005. It was referred to the Standing Senate Committee on Energy, the Environment and Natural Resources. The committee held 13 meetings and heard the testimony of more than 40 witnesses. At its meeting yesterday, the committee adopted a motion to dispense with clause-by-clause consideration of the bill. The bill was reported by the committee on May 17, yesterday, without amendment. The Senate then adopted an order to have the bill considered at third reading at the next sitting of the Senate.

Traditionally the committee is regarded as the master of its own proceedings. At the same time, rule 96 (7) provides that:

...a select committee shall not, without the approval of the Senate, adopt any special procedure or practice that is inconsistent with the practices and usages of the Senate itself.

The purpose of the reference of a bill to a committee is to allow for detailed examination of the bill, which usually includes clause-by-clause as well as the hearing of witnesses. As Senator Banks noted in citing Marleau and Monpetit, clause-by-clause is a practice that allows members to propose amendments to a bill as the committee proceeds through its consideration of the bill.

In making my ruling, I need to consider various issues. A motion that has the effect of preventing members from the ability to move amendments, a fundamental purpose of the reference by the Senate, strikes me as irregular. However, it is difficult for me, as Speaker, to take retroactive action on the proceedings that appear to have taken place in the committee, given that the Senate adopted yesterday the order to proceed to third reading today.

It is important that all senators be mindful of the right possessed by each senator who is a member of a committee to propose amendments as they see fit. A motion that prevents senators from exercising this right seems to me to be out of order. It might be contrary to rule 96(7) of the *Rules of the Senate*.

If the committee seeks to suspend a rule or practice with respect to clause-by-clause consideration, the committee might consider the advisability of doing it through leave, rather than by motion, to ensure that no rights to which a senator is entitled are unduly infringed.

As I mentioned, I do not feel I have the authority to undo decisions that have already been taken by the Senate. At the same time, I remind senators that they still retain the right to propose amendments to clauses in the bill during third reading debate. It is my ruling, therefore, that I cannot undo what was done by the committee and already accepted by the Senate. Debate on third reading can begin in the full knowledge that senators have the right to move amendments to clauses of the bill.

(1530)

It is my personal feeling that the Rules Committee could examine the advisability of reviewing the practice, that unless leave is granted by members of the committee to dispense with the procedure, committees are bound to examine bills that are referred to them clause-by-clause.

Therefore, there is no point of order. We can now commence debate on third reading of Bill C-15.

Hon. Elizabeth Hubley: Honourable senators, I am pleased to speak today about Bill C-15, to amend the Migratory Bird Convention Act, 1994 and the Canadian Environmental Protection Act, 1999. The bill was recommended to the Senate for third reading following careful deliberations of the Standing Senate Committee on Energy, the Environment and Natural Resources.

I wish to express my appreciation to the chair of the committee, Senator Banks, to the deputy chair, Senator Cochrane, and indeed to all committee members for their constant deliberation and fairness to this bill.

The goal of the bill is to improve our ability to enforce Canadian environmental legislation for the protection of birds from marine pollution, particularly ship-sourced oil pollution. This goal was strongly supported by all witnesses that appeared before the committee, including members of the marine shipping industry. The problem addressed by Bill C-15, that is, that hundreds of thousands of seabirds are killed annually in Canada's marine environment, has been described in great detail.

I am sure that honourable senators will agree it is unacceptable that Canada, a country known around the globe for its rich biological diversity, abundant natural resources and strong environmental ethics, is used as a dumping ground by a small proportion of shipowners. Currently, this minority operates beyond the reach of enforcement under the Migratory Birds Convention Act, 1994 and the Canadian Environmental Protection Act, 1999.

Although there is widespread agreement for the goal of Bill C-15, there have been a number of questions from the marine shipping industry. Near the end of committee deliberations, the Honourable Stéphane Dion, Minister of the Environment, and Mary Dawson, associate deputy minister, Justice Canada, appeared and answered all of the remaining questions to the committee's satisfaction.

Let me briefly describe the deliberations. Concerns have been raised that Bill C-15 establishes strict liability provisions. However, the strict liability regime works admirably in the Canadian legal system. Offences of this nature have been present for almost 60 years under the Migratory Birds Convention Act, 1994, for at least 30 years under the Fisheries Act, as well as under many other federal statutes, such as the Canada Shipping Act. The constitutionality of the strict liability regime has been tested and upheld by the Supreme Court of Canada.

We also heard concerns that Bill C-15 leads to the criminalization of seafarers. We recognize that this is a concern held by many parties around the globe, especially in countries where rights of the accused are not always protected. However, Canada's judicial system fundamentally protects the rights of the accused with the presumption of innocence, especially when prison sentences are a possible penalty. Bill C-15 does not change these facts.

Furthermore, courts impose penalties for offences in proportion to the gravity of the offence, the conduct of the offender, and with consideration of sentencing criteria, such as those being added to the Migratory Birds Convention Act, 1994 through adoption of Bill C-15.

Canada's international obligations will also affect and guide the recommendations for sentencing that a Crown prosecutor would put forward in the case of foreign crews of foreign vessels.

Some members of the marine shipping industry proposed that the provision incorporating minimum fines be removed from Bill C-15. This provision was added in the other place. The bill currently states that vessels of "5,000 tonnes deadweight or over" found guilty of contravening the Migratory Birds Convention Act, 1994, by illegally discharging oily wastes and other harmful substances would face minimum fines up to \$500,000 for an indictable offence. The minimum fine ensures that penalties in Canada approach a magnitude comparable to those imposed in other countries, particularly in the United States. Ships should not be able to dump in Canadian waters as a convenience because Canadian federal laws do not sufficiently deter such pollution.

Some maritime shipping industry representatives continue to express concern that the bill may conflict with other Canadian laws or international conventions. Honourable senators, Bill C-15 does not conflict with other Canadian laws. It specifically introduces provisions to coordinate the authorities of the two acts it seeks to amend with other acts of Parliament. Moreover, during committee hearings, we learned that there are many safeguards in Bill C-15, as well as administrative policy and judicial practices that will ensure that the application of Bill C-15 conforms to international law. The Department of Justice, during its drafting of Bill C-15, ensured that the was consistent with all of Canada's international commitments.

Bill C-15 recognizes international oil pollution standards that existed previously. Any company currently operating as required under Canada's domestic law, which in turn respects Canada's commitments and obligations under international conventions, need not fear the amendments of the two acts that will be achieved by the adoption of Bill C-15.

Bill C-15 clarifies the authority to enforce the two acts in Canada's exclusive economic zone and gives to federal enforcement personnel powers that are equal to the scale of their responsibility. As for the financial resources required to enforce the amended acts, the Honourable Stéphane Dion, Minister of the Environment, has told us that there will be internal reallocation of resources to increase efforts to deal with alleged illegal discharge of oily bilge and other pollutants.

Some concerns were expressed about the capacity of game officers to enforce the provisions of this bill. Rest assured, enforcement activities will be coordinated across key federal departments and agencies to provide the specialist expertise required for successful action. Bill C-15 does not create new prohibitions, but it will reduce the economic advantage currently enjoyed by those who continue to break the law by dumping their wastes in Canada's exclusive economic zone with impunity.

• (1540)

I urge honourable senators to support Bill C-15 to help protect Canada's marine resources for future generations.

Hon. Ethel Cochrane: Honourable senators, I am pleased to offer a few words today at third reading of Bill C-15.

The Standing Senate Committee on Energy, the Environment and Natural Resources has heard many witnesses in its study of this bill, representing the viewpoints of all stakeholders, and I thank all of them for their valuable contributions.

The sight of seabirds harmed by bilge oil is, unfortunately, not uncommon in my province. In fact, the practice of ships releasing oil into the ocean off Newfoundland and Labrador dates back to the 1950s. Oil spills producing serious environmental damage have occurred throughout the decades, with the most recent incident taking place early this spring. In early March, wildlife officials in my province reported that oiled eider ducks were washing ashore along the East Coast. Tests showed that they were covered with bilge oil. In all, about 1,400 birds were affected. According to the Canadian Wildlife Service, the incident resulted in the death of the single largest number of eider ducks they have ever witnessed.

Eider ducks tend to stay close to the shoreline, and therefore, officials believe the vessel dumped its bilge oil in that vicinity. Despite its supposed close proximity to land, the responsible vessel in this particular case was not charged because it could not be found. It is worth noting that the area of the province in which the oiled ducks were found includes Witless Bay and Baccalieu Island, both well-known marine ecological reserves.

The bill before us aims to strengthen and expand the enforcement measures that protect our country's marine environment. In particular, vessels illegally discharging bilge oil into the ocean will now be financially responsible to a maximum of \$1 million. This will raise our fines to a level comparable with those handed out in the United States.

A problem witnessed in the past has involved ships en route to the United States dumping their bilge in Canadian waters, due in no small part to our weaker penalties. Hopefully, this tougher stance will end our reputation as a safe haven for marine polluters. The increased fines and penalties under this bill are much appreciated, but to truly be effective they must be matched by a renewed federal commitment in our Coast Guard. As Coast Guard funding has been cut, the number of patrols has been significantly reduced.

Honourable senators, we must ask ourselves: How can this legislation be enforced if we cannot catch those responsible for contravening it? The federal budget of February 23 of this year included an allocation of \$276 million over the next five years for the Canadian Coast Guard. The government says that this funding will begin the modernization of the fleet and will include the purchase of four midshore fisheries patrol vessels. While I welcome this increase of financial commitment, it is my belief that the department must provide additional resources dedicated to the enforcement of this legislation.

In reporting this bill back to the chamber the committee has attached observations in three important areas, beginning with our concerns about Canada's marine surveillance and enforcement efforts. The committee makes note of information provided from the Minister of the Environment, the Honourable Stéphane Dion, which told of an anticipated increase of \$3 million in resources for surveillance and enforcement. The committee has responded to this potential allocation in the observations, and I quote:

This is a tiny step in the right direction, but it is entirely inadequate to the task. For Canada's efforts to save our migratory birds to be effective, a significantly more serious commitment by the Government of Canada is required. The capabilities, in this specific respect, of the Canadian Coast Guard need very substantial upgrading, improvement and critical mass.

Honourable senators, this is an area that we must watch carefully, as it is vital to any success that may be achieved in this regard. An active Coast Guard presence could do more than catch vessels which break the law. It could discourage them from illegal dumping in the first place.

In the observations the committee states its intent to hear from the minister a year after the tabling of the report, to learn how the legislation has been enforced and to inquire about our main concerns. Those concerns also include an observation that testimony before the committee had indicated that enforcement of the bill's strict liability measures would violate the Canadian Charter of Rights and Freedoms. The committee stated its concerns regarding testimony from witnesses that indicated certain provisions of the bill would be in violation of international commitments to which Canada is a signatory. While these are quite serious issues, in both instances the committee was informed that the government would take the utmost care to ensure that such violations would not take place. I would also like to assure all honourable senators that the committee will also pay close attention to developments surrounding the bill's application.

In his appearance before the committee, Newfoundland and Labrador's Environment Minister reminded us that this bill is not just about birds. The Honourable Tom Osbourne said that they are an indicator of the cumulative effect of oil spills on the onshore and offshore ecosystems, including fish.

Honourable senators, I am hopeful that the passage and subsequent enforcement of Bill C-15 will result in the deaths of fewer birds in waters under Canadian jurisdiction. In fact, I believe it will go a long way to protecting the habitat of millions of seabirds on both coasts.

Senator Angus: Honourable senators, I move that the debate be adjourned.

Senator Banks: No!

The Hon. the Speaker pro tempore: It is moved by the Honourable Senator Angus, seconded by the Honourable Senator Eyton, that further debate be adjourned until the next sitting of the Senate.

Is it your pleasure, honourable senators, to adopt the motion?

Some Hon. Senators: No.

Some Hon. Senators: Yes.

The Hon. the Speaker pro tempore: Will all those in favour of the motion to adjourn please say "yea"?

Hon. Senators: Yea.

**The Hon. the Speaker** *pro tempore*: Will all those opposed to the motion please say "nay"?

Hon. Senators: Nay.

The Hon. the Speaker pro tempore: I believe the "nays" have it.

And two honourable senators having risen:

The Hon. the Speaker pro tempore: Call in the senators. There will be a 15-minute bell.

(1600)

Motion negatived on the following division:

# YEAS THE HONOURABLE SENATORS

Adams Keon Kinsella Angus Buchanan McCov Comeau Murray Cools Oliver Corbin Prud'homme Di Nino Stratton Gill Watt-17 Johnson

# NAYS THE HONOURABLE SENATORS

Bacon Jaffer
Banks Léger
Bryden Losier-Cool
Callbeck Mahovlich
Chaput Mercer
Christensen Milne

Cochrane Cook Cordy Cowan Day De Bané Fairbairn Finnerty Fraser Grafstein Hubley Mitchell Moore Munson Pearson Phalen Poulin Poy Robichaud

Rompkey
Trenholme Counsell—33

# ABSTENTIONS THE HONOURABLE SENATORS

Ferretti Barth Joval

Sibbeston Tardif—4

#### MOTION IN AMENDMENT

Hon. Willie Adams: Honourable senators, I move:

That Bill C-15, An Act to amend the Migratory Birds Convention Act, 1994 and the Canadian Environmental Protection Act, 1999 be not now read a third time but referred back to the Standing Senate Committee on Energy, the Environment and Natural Resources for clause by clause consideration.

• (1610)

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion in amendment?

#### POINT OF ORDER

Hon. Tommy Banks: Honourable senators, I rise on a point of order. Your Honour has already ruled that the Senate has determined that it will today consider third reading of the bill, which has been reported by the committee to the Senate. I do not see how we can go back on that now.

Hon. W. David Angus: Honourable senators, I wish to speak to the point of order of the Honourable Senator Banks. My understanding of the Speaker's ruling was that in the event of issues of this nature the ultimate authority is this chamber.

Whereas it was clear from the Speaker's ruling that the procedure conducted yesterday was out of order and inappropriate in all the circumstances; and whereas we are now here and honourable senators are seized with the nature of what is going on; and whereas the senators present are well aware that there are serious amendments to be made and serious discussion needed that would unnecessarily take up the time of this chamber fi twere done as the Speaker suggested today, then I suggest it is totally in order that this chamber decide to send the bill back to committee. If senators want the committee to meet early tonight or at midnight, I do not care. That is the appropriate place for this matter and I wholeheartedly support the Honourable Senator Adams.

The Hon. the Speaker pro tempore: Before I listen to other senators, I will refer to Beauchesne's Parliamentary Rules & Forms, 6th edition, paragraph 737(1):

A bill may be recommitted to a Committee of the Whole or to a committee by a Member moving an amendment to the third reading motion.

Hon. Eymard G. Corbin: Honourable senators, I wish to speak to the point of order in support of Senator Adams' motion in amendment.

I will not comment on the Speaker's previous ruling, but I do differ from the point raised by my friend Senator Banks to the effect that the Speaker's ruling can be interpreted as barring any amendment at third reading. On the contrary, the Speaker emphatically stated that amendments can be made at third reading. The motion by Senator Adams is an amendment. The effect of that amendment is for the house to pronounce upon.

Deeper than that, the wrong caused in this case should be properly dealt with at committee stage. I feel very strongly about that. I have been following this issue for the last two days. I feel very uncomfortable with what has been done. The matter should be allowed to return to committee.

The Hon. the Speaker pro tempore: The amendment is in order. I understand Senator Cools and Senator Murray wish to speak.

Hon. Anne C. Cools: Honourable senators, I wish to speak in support of Senator Adams. I also take issue with Senator Banks' point of order. Senator Banks has not raised a valid point of order. As a matter of fact, I would say that he has misunderstood Her Honour's ruling. I understood Senator Banks to say that the Speaker has ruled that no such action as proposed by Senator Adams could happen because third reading debate must proceed. I do not think Her Honour addressed the issue of the proceeding today. I believe what Her Honour has said is that the Senate adopted an order yesterday to move ahead to third reading; in other words, that the bill be placed on the Order Paper today for third reading. However, Her Honour made no judgment whatsoever in respect of the actual disposition in this place of third reading debate. Thus, Her Honour's ruling is not a bar whatsoever to the chamber adopting or speaking to the motion of Senator Adams. I would argue that the Speaker's ruling, in essence, pointed out that it was highly irregular for a committee to do what this committee did in dispensing with clause-by-clause consideration, and also cautioned the house to be mindful of its committees dispossessing senators of any rights.

An Hon. Senator: Her Honour has ruled that the amendment is in order.

**Senator Cools:** Did she? How can she rule before the debate on the point of order is finished?

Hon. Lowell Murray: On a point of order. I believe the previous point of order is completed. Her Honour has ruled that Senator Adams' amendment is in order. Senator Rompkey was rising. I do

not know whether it was his intention to appeal the Speaker's ruling. That is the only course open to us other than commencing the debate on Senator Adams' amendment.

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, it is clear that Senator Adams' motion is not an amendment; it is a motion to move the bill back to committee. That is Senator Adams' motion, as I understand it.

Her Honour was very clear in her earlier ruling. We had a full debate. Her Honour heard both sides, ruled on that particular issue and we continued debate. Senator Adams has now moved that we return the bill to committee. I will oppose that motion.

Senator Banks is quite right. The issue was dealt with properly. We have had that debate in committee. We should now vote on Senator Adams' motion.

The Hon. the Speaker pro tempore: I have already ruled the motion in order, senators.

Some Hon. Senators: Question!

The Hon. the Speaker pro tempore: Resuming debate on the amendment.

Senator Murray: Honourable senators, I had not intended to take part in debate on this bill. Frankly, I do not have strong opinions on the merits of it. I will defer to others for that matter.

I do not even know how many clauses there are to the bill. I have not studied it that closely. However, what we have here in Senator Adams' amendment —

An Hon. Senator: It is not an amendment.

Senator Murray: It is an amendment. Excuse me, I stand to be corrected, but the main motion that is before the house is that the bill be now read a third time. In amendment, Senator Adams moves that the bill be not now read a third time, but that it be referred back to the committee for clause-by-clause examination. I think that is what it before us.

I say that what we are presented with in Senator Adams' amendment is an opportunity to undo the irregularity to which Her Honour referred in an earlier ruling and which she has stated she cannot undo retroactively. We have an opportunity to undo that irregularity — I cannot speak for anyone but myself — but probably to take that opportunity expeditiously.

• (1620)

I do not know how many clauses there are or who might want to speak to them or move amendments to them. We have been given a wonderful opportunity to send the bill back to the committee and have a proper clause-by-clause examination, as Her Honour has acknowledged would be the proper thing to do. Senator Rompkey: I think we should be clear on what we are dealing with here. Our understanding was that Senator Angus wanted to move an amendment, and perhaps Senator Buchanan wanted to move an amendment. They can move their amendments. We do not have to send the bill back to the committee for them to move amendments.

The Hon. the Speaker pro tempore: I have already ruled Senator Adams' motion as being in order, as an amendment to third reading. Is the house ready for the question?

Hon. Senators: Ouestion!

The Hon. the Speaker pro tempore: It was moved by Senator Adams, seconded by Senator Angus, that Bill C-15, to amend the Migratory Birds Convention Act, 1994 and the Canadian Environmental Protection Act, 1999, be not now read a third time but referred back to the Standing Senate Committee on Energy, the Environment, and Natural Resources for clause-by-clause consideration.

Is it your pleasure, honourable senators, to adopt the motion in amendment?

Some Hon. Senators: No.

Some Hon. Senators: Yes.

The Hon. the Speaker pro tempore: Will all those in favour of the motion will please say "yea"?

Some Hon. Senators: Yea.

The Hon. the Speaker pro tempore: Will all those opposed to the motion will please say "nay"?

Some Hon. Senators: Nay.

The Hon. the Speaker pro tempore: In my opinion, the "nays" have it.

And two honourable senators having risen:

The Hon. the Speaker pro tempore: Call in the senators. Is there agreement on the bell?

Hon. Rose-Marie Losier-Cool: One hour.

(1720)

Motion negatived on the following division:

# YEAS THE HONOURABLE SENATORS

Adams Angus Atkins Comeau Cools Di Nino Gill Keon Kinsella Murray Oliver Prud'homme Sibbeston Stratton Watt—15

## NAYS THE HONOURABLE SENATORS

Bacon Banks Bryden Callbeck Chaput Christensen Cochrane Cook Cordy Cowan Day De Bané Fairbairn Finnerty Fraser Grafstein Harb

Hubley Léger Losier-Cool Mahovlich Mercer Milne Mitchell Munson Pearson Pépin Phalen Poulin Pov Robichaud Rompkey Smith

Trenholme Counsell—34

# ABSTENTIONS THE HONOURABLE SENATORS

Ferretti Barth

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Hon. W. David Angus: Honourable senators, I was on my feet in this chamber just one week ago speaking to Bill C-33 and using the words of the Honourable Senator Moore, "that bill was bad law." Notwithstanding that, I regret to remind senators, who are duty bound, I believe, pursuant to the role of sober second thought, that they allowed Bill C-33 to go forward even though it contained taxing powers retroactive to 1988, which violates every true and time-tested principle of tax law.

Now I find myself on my feet urging honourable senators to vote against Bill C-15, which has been debated for the last three or four hours, for reasons that I was unable to express in the Energy Committee yesterday, and for circumstances that all senators would agree should not and will not be repeated.

On its face, this proposed legislation is bad law, pure and simple. I say that with zero hesitation as a member of the Barreau du Québec, The Bar of Montreal, the Canadian Bar Association and as an honorary life member of the Canadian Maritime Law Association, as well as on the basis of the uncontradicted opinion of a noted, eminent, constitutional lawyer from Toronto, Mr. Alan D. Gold, who circulated to all honourable senators documentation outlining why he takes his opinion. Purely and simply, Mr. Gold said that the bill, as drafted, violates the Charter of Rights and Freedoms. He said that it is not justified as good law, is not constitutional and is not intra vires because of the Supreme Court decisions referred to in our deliberations flowing from the Sault Ste. Marie case and that bit of jurisprudence. The reason, quite simply, is that Bill C-15 criminalizes certain activities of seafaring individuals and, in particular, masters, chief engineers and second engineers of sea-going vessels who, pursuant to this legislation, could be taken off a vessel and thrown in jail without any proof of a criminal offence. Their basic right would be violated. As well, they could be subjected to lengthy

prison sentences and exorbitant fines. In some circumstances, the minimum fines could be at least \$500,000. Because of these onerous penalties and the unusual criminalization of individuals, Mr. Gold was unequivocal in his opinion that Bill C-15 would be struck down by the courts.

Honourable senators, it is not right that we collectively pass a bill before the house that we know is ultra vires and, therefore, will be struck down by the courts. In respect of the principle of the bill, all senators are in agreement.

• (1730)

If the real intention of this bill is to prevent migratory seabirds from being oiled by ship-source pollution that is deliberately put over the side of ocean-going ships, the perpetrators should be severely punished and there should be deterrents to stop such polluting from happening in Canadian waters. I have heard of no argument about that in either this chamber or the other place.

Before honourable senators vote on this bill at third reading, I want them to understand that we have this undisputed legal opinion.

The Honourable Senator Banks is the Chairman of the Standing Senate Committee on Energy, the Environment and Natural Resources. As members of both sides of the committee have said, he conducted exhaustive hearings, has shown great balance and has been an excellent chairman. I do not impugn him in any way for what happened at the committee yesterday at 9 a.m.

The committee decided to ask the Minister of Justice, Irwin Cotler, to appear before it, and we were promised that he would be there. We were even advised of that in a notice that I have right here. However, at the last minute he could not come, and he sent officials in his place.

I have great respect for our civil servants and officials. I also have great concern for them when, at the last minute, they are sent to defend a bill on which they have not heard or read the evidence and when they are asked to say things that they cannot substantiate.

What happened in this case is a matter of public record. As the lawyer said, if we do pass the bill, thereby passing bad law, the courts will strike it down. They will review the legislative history and see that the officials from the Department of Justice were unable to give clear or cogent rebuttals to the legal opinions we had obtained. That was all I needed to determine my opposition to the bill, although there are many other things that make it bad law.

This is a maritime law that is being put into a corpus of other statutes that deal with the protection of our environment, known as green legislation.

I am now known in many quarters as the "green senator," a born-again environmentalist, and I am proud of it, and that is due in part to being a member of this committee.

Hon. Senators: Hear, hear!

Senator Angus: Under the great leadership of Senator Banks, I am a totally committed "green."

This legislation would fit better put under the auspices of Transport Canada because it deals, in large measure, albeit not entirely, with maritime matters that require the enforcement processes of nautical experts to board ships and require knowledge of oily water separators on ships. This bill deals with the strict liability of crimes that require the arrest and incarceration of people, even in the case of accidental spills.

We were told that there was a fight at the early legislative stage between Transport Canada and Environment Canada. Transport wanted to split off the maritime matters and put them in a bill that would be enforced by the Coast Guard. The Transport folks lost the fight and now there is bad law interwoven in this bill.

Normally legislation like this affects a number of industries. I have 45 years of experience practising maritime law. In the preparation of all maritime laws that have been enacted since 1961 there was widespread stakeholder consultation with regard to whether the laws were workable and made good sense and, indeed, whether they might be ultra vires.

In this case, honourable senators, there was no proper stakeholder consultation. Indeed, a bill came before the previous Parliament in nearly the same form as this bill and died on the Order Paper. However, the industry had become aware only at that time that the legislation was in the parliamentary process. When this Parliament began, the bill was introduced in the other place and stakeholders, including the international shipping community, except for the Maritime Law Association and one small shipping group, were denied a hearing in the other place. They told us about that at our committee hearings.

I will have some things to say about why we have a bad reputation when we talk about our new code of conduct.

Honourable senators, we are in the public eye. Some of the hearings that were held under the leadership of Senator Banks were on television, and there are transcripts of all of them. We are being watched.

When the minister responsible for the bill, the Honourable Stéphane Dion, came before the committee his performance was pathetic. I need only refer you to the transcript. I say with no partisanship that I was ashamed to be a Quebecer and ashamed to be a member of this process. His approach to this bill was to say: "Don't confuse me with the facts; give me the bill."

Within 24 hours of leaving the hearing room, Mr. Dion held a press conference impugning the good name of Senator Banks and the good name of the leadership on both sides of this chamber. He questioned why we were delaying the bill, when we were only doing our job, trying to avoid falling into the trap of Bill C-33 and making bad law.

What are we here for if we are going to put our stamp of approval on a bill that is clearly and manifestly ultra vires? I want no part of that. The process we are going through today appears to the public to be a charade, and I hate every bit of it. Every bell that rings and every procedural delay turns me off, as I am sure it turns off all honourable senators. I am sure that we all have better things to do today. I have had neither breakfast nor lunch today because of this bill.

Senator Mercer: We will buy you a sandwich.

Senator Angus: I urge honourable senators to read the observations that were submitted with the report on this legislation. They outline a number of problems with the bill. I will refer to only a couple more, just to give everyone the tone of them.

In maritime matters, Canada is party to numerous international treaties that are developed through multi-governmental organizations, in many cases UN sponsored. One of them is the United Nations Convention on the Law of the Sea. We were told by several learned experts that this bill has the potential, depending upon how it is implemented and enforced, to violate some of our international obligations. That, too, could easily be remedied by a small change.

The Hon. the Speaker pro tempore: I regret to inform Senator Angus that his time has expired.

Senator Angus: May I have leave to continue for a little longer?

The Hon. the Speaker pro tempore: Is leave granted for Senator Angus to continue for five minutes?

Hon. Senators: Agreed.

**Senator Angus:** The violation of certain of our international obligations is not something to which I want to be party. I am not saying that this is my expert opinion, but the evidence we heard indicates that this would be the case.

This bill potentially criminalizes seafarers, masters and chief engineers, and we were told by the leadership of unions representing in excess of 35,000 seamen, I believe, that this will be a great disincentive for people to go to sea. These ships, we were told, cost millions of dollars a day to operate and cost north of \$100 million to construct. They are highly technical, expensive pieces of equipment. They are international capital assets that move around the world. To have other than highly trained and skilled people running those ships is an invitation to pollution of our waters, to oiling of our seabirds and other wildlife habitats, and generally a huge threat to our ecological surroundings. There is that menace in the bill that could be changed by two words. No one has any objection to huge penalties or to having the ship — which in maritime law is normally personified — liable to these penalties.

· (1740)

#### MOTION IN AMENDMENT

Hon. W. David Angus: Honourable senators, without going further, I would simply move at this point the following

amendments. I have had the amendments prepared I hope in accordance with the rules. I have given copies in English and French to everybody in this chamber.

I move:

That Bill C-15 be not now be read a third time but that it be amended in clause 9,

- (a) on page 13,
  - (i) by replacing lines 12 to 15 with the following:
  - "(1.11) Where a vessel of 5,000 tonnes deadweight or over is convicted of an offence under section 5.1, and the offence was committed intentionally or recklessly,
    - (a) a fine imposed on the vessel under paragraph (1.1)(a) for the offence", and
  - (ii) by replacing line 17 with the following:
    - (b) a fine imposed on the vessel under paragraph (1.1)(b) for the offence"; and
- (b) on page 14, by adding after line 23 the following:
  - "(1.9) No individual shall be convicted of an offence under this Act if
    - (a) the offence is alleged to have been committed in the course of the operation of a vessel, and
    - (b) at the time when the offence is alleged to have been committed, the individual is a master, officer or member of the crew of the vessel, or is in the service of the vessel on board the vessel,

unless it is provided that

- (c) the individual acted intentionally or recklessly, and
- (d) if, at the time when the offence is alleged to have been committed, the individual is a foreign national and the vessel is a foreign vessel, the offence was committed in the internal waters or territorial sea of Canada.
- (1.91) Subsection (1.9) is not a bar to the conviction under this Act of a vessel or a person other than an individual described in paragraph (1.9)(b) in respect of the conduct of an individual described in that paragraph.".

Honourable senators, the committee, as you heard today, had its own legal counsel, approved by the Internal Economy Committee. It is my understanding from the advice of that legal counsel as well as outside lawyers that, if we were to put in those small amendments, it would render this bill Charter-proof, intra vires of this Parliament, and that it would remove the

criminalization of seafarers who go to sea and make a career without having to worry about going to jail for something that happens when they might even be asleep in their bunk on their eight hours off watch.

I will say no more. Senator Buchanan will speak about the numan elements of the criminalization of seafarers.

I have one last point, as I urge honourable senators to adopt these amendments. We were told that if this bill is found to violate our obligations under international agreements such as UNCLOS, MARPOL and other anti-pollution conventions, and/or is an unconstitutional piece of law, Canada will not only be embarrassed in the international community big time, but also t will be subject to huge financial penalties. There was a recent case in Vancouver in the federal court where the Government of Canada was condemned for \$4 million in an analogous situation. I do not have the reference for the case, but it is all on the record from the hearings of this committee.

Without further ado, I thank honourable senators for their patience. I do this exercise in good faith. I urge honourable senators to seriously consider approving these amendments so that we can fix this bill up. The birds will be saved. Imagine what would happen if we passed this bill as drafted and on the first case it is struck down by the courts. The birds will be oiled big time, honourable senators.

**The Hon. the Speaker** *pro tempore*: Is the house ready for the question?

There are two senators who would like to ask questions. Is leave granted?

Some Hon. Senators: Agreed.

Hon. Wilfred P. Moore: Will the honourable senator accept a question?

Senator Angus: I will.

Senator Moore: The honourable senator mentioned at the beginning of his remarks that masters, chief engineers and first mates could be incarcerated without an opportunity to due process; is that correct?

Senator Angus: Honourable senators, I do not think I used that exact language. I should point out that the proposed legislation does not refer to mates but that it refers to masters, chiefs and second engineers.

Basically, this is a strict liability offence. There is a due diligence defence available, but because it is a criminal offence, and because the penalties are so high, it was deemed by lawyer Alan D. Gold that the offence violates the Charter, especially in cases where an incident might be accidental, where there would be no way to prove beyond a shadow of a doubt that people are innocent; this is a reverse onus.

**Senator Moore:** If there were a malfunction of equipment on board — for example, if the ship is running along fine and something happens, and things do break down on ships — is the honourable senator saying that there would be an absolute liability on those officers?

**Senator Angus:** Yes, I say that, and there would be a due diligence defence. There is a presumption of guilt right off the top.

Hon. Jerahmiel S. Grafstein: I was disturbed by some of Senator Angus' comments with respect to the conflict between the Department of Justice and independent counsel that the committee retained.

I apologize that I have not had an opportunity because of other matters to look at that opinion. However, with Senator Banks' help, I have looked at the report that is now part of the *Journals of the Senate*. The report indicates:

The Government has given assurances that under the statutory and jurisprudential sentencing guidelines, and their policy for implementation of Bill C-15, care will be taken that its enforcement will not violate the Canadian Charter of Rights and Freedoms.

I understand the point of the honourable senator. I take it at face value that the independent counsel cautioned against this. What is the interpretation of the honourable senator of the government's response to this particular position, which is that they will implement the sentencing guidelines? I understand that the government has given assurances. I wish to address that point, because I am not satisfied that government assurances are appropriate in regard to a criminal statute.

• (1750)

Senator Angus: There you have it.

Senator Grafstein: I do not want to lead my honourable friend. I was troubled when I looked into this issue and studied the report. Exactly what assurances did the government give? Was it assurances or was it their opinion, which we do not have access to, that in fact this did not contravene the Charter?

**Senator Angus:** Honourable senators, all I can tell Senator Grafstein is that this document of observations is worth what it is worth. Legal opinions are worth what one pays for them.

The committee was advised by certain government officials from Environment Canada that they were in the process of drafting an MOU between the departments as to these multijurisdictional regulations. It is like crossing party lines. Some of this stuff falls within the mandate of Environment Canada, some within the Department of Fisheries and Oceans and some within Transport Canada. It is a complicated situation.

Interestingly, a number of years ago, by Order-in-Council, all of the operational authority for the once-proud Canadian Coast Guard was transferred to Fisheries and Oceans. We had a bill in this chamber the other day. The government realized, as a result of big pollution cases and the oiling of birds in similar circumstances, that it was wrong to take the Coast Guard away from Transport Canada, where they were mariners and were used to dealing with shipping problems. Now the government has given it all back to Transport Canada.

Our chairman, Senator Banks, did his job diligently. He met with the Minister of the Environment and the Minister of Transport. He met with officials. He told us that he had assurances that in the enforcement and the implementation of Bill C-15, those things will be done. I have no reason to doubt Senator Banks. However, what I told Senator Banks, and what I tried to argue in the committee and what I argue before my colleagues here today, is that this document is not worth the paper it is written on. There will be a different person tomorrow and yet a different person on Friday, for all I know.

This is a very bad piece of law as it is currently drafted. It can be easily fixed by my amendments. I urge honourable senators to please come on board with the "green."

Senator Grafstein: Honourable senators, I am just reading the report's observations for the first time. Perhaps Senator Angus can help me. Under the paragraph entitled "Canada's International Undertakings," the report states:

Your Committee will follow surveillance, enforcement, prosecutions, and sentencing under C-15 with great interest and careful scrutiny.

The committee is obviously undertaking to provide active oversight on the prosecutions under this statute.

The committee goes on to say in the unanimous report:

We hope that there will be surveillance and enforcement; and we expect that great care will be taken in prosecution and sentencing.

This is a rather unusual statement. Perhaps Senator Angus or Senator Banks can explain it. What it is really saying is that the statute appears to be less than perfect, less than constitutional-proof as it applies to both the Charter and our international undertakings. We hope that the prosecution and the enforcement will not be deleterious as it applies to the constitution or our international undertakings. This is a rather curious document. This is a unanimous report. Can my honourable friend explain this to those of us who were not on the committee?

Senator Angus: I would be more than delighted to explain this to Senator Grafstein, particularly because he was not here earlier today when we had quite a long contretemps in this chamber.

What happened yesterday morning, in a nutshell, is we came to the committee for clause-by-clause consideration of the bill. I had these amendments ready to go. A motion was summarily made that we would dispense with clause-by-clause study and report the bill unamended. This is called, in my world, half a loaf. This is what Senator Angus, Senator Buchanan, Senator Lavigne and Senator Adams were able to extract from our colleagues in lieu of the right to even argue and present amendments.

Hon. Ione Christensen: As a point of clarification, Senator Angus, in your debate with Senator Moore, I think his question was regarding a seaman who would perhaps have to face criminal charges. I believe you replied that yes, it was absolute liability. I think it is strict liability, is it not?

Senator Angus: I think his word was absolute; I said strict liability with a due diligence defence.

Hon. Tommy Banks: Honourable senators, I wish to speak to the amendment now, following which I will have a few things to say about the bill and the process.

I admire Senator Angus's speech. It was very good, particularly the part about being green and being converted. I can attest to that. He is finding that it is easy being green.

The concerns that the senator expresses are on a continuum of concerns. As all senators know, there is a breadth of views on any given question, particularly on legal questions. If I were to ask three lawyers to give an opinion on something, I would get seven opinions.

It is not correct, with respect, Senator Angus, to say that the views expressed by some legal experts before us were not refuted. They were refuted. We can believe the refutation or we can believe the posit made in the first place or we can believe somewhere in between. It is not true or correct to say that the expression of opinions by either of the counsel engaged by the committee or by Mr. Gold or any of the lawyers who appeared before us representing the interests of the shipping community were not refuted by the government. They were refuted. One can believe one way or the other.

The concerns to which the senator has referred are correctly set out in these observations. I also want to say that it is not correct for Senator Angus to say that these observations were extracted as a sop to the right thing. The record of the committee meeting will show that I said at the time that all members of the committee understood from a long time ago that there would be observations attached to this bill setting out the concerns we had with the bill. Some of the concerns are over here, some are over there, and some are in the middle, but these concerns are legitimate.

There is concern with respect to the introduction of what has been represented by some as the introduction of new things in this bill. I call to the attention of senators that the concept of strict liability, testy though it may be, exists in a substantial body of law in this country. If we were to change the concept of strict liability — and I do not suggest we ought not to — as it appears in the present bill, we would also have to then logically change it in a very large number of other acts of Parliament, many of which have to do with environmental law. I want honourable senators to understand why that is so.

I hope a lawyer will correct me if I am wrong on the concept of strict liability. An event has occurred, and it can be shown to a court beyond a reasonable doubt that the event has occurred. The demonstration can be made in this case that there is a proximity of a vessel or a person. The same concept would apply if an individual were driving down the road in a pickup truck with a deer in the back.

• (1800)

An event has occurred, and once that event has occurred there is, in the case of strict liability, a presumption of guilt, a reverse onus. It exists in much environmental law. If we were to apply mens rea to that concept of law, we would be obliged to prove the state of mind of the person who killed that deer or the state of mind of the person who was in one way or another responsible for the release into the ocean of oily bilge.

Debate suspended.

#### BUSINESS OF THE SENATE

The Hon. the Speaker pro tempore: Honourable senators, I am sorry to interrupt Senator Banks, but I must advise the senators that it is now six o'clock. Is it your wish, honourable senators, that I not see the clock?

Some Hon. Senators: Agreed.

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, if that were agreed to, I could assure honourable senators that there would be some very tasty food served in the Reading Room. My suggestion is that Senator Angus be the first to partake because, by his own admission, he has not had any breakfast or any lunch, and I would not like to lose so soon a converter to the Green Party.

Hon. Terry Stratton (Deputy Leader of the Opposition): The question I have, and I believe everyone in this chamber would have as well, is how long the deputy leader expects the evening to take. What will we do for the balance of the evening? Surely to goodness, we will not go through the entire scroll. Would the honourable senator tell us which issues he wishes to deal with and for how long?

Senator Rompkey: My hope would be to deal with the bill that is before us now and then proceed to the conflict of interest code. The other items, as far as I can recall, can be dealt with tomorrow. Once we get through with this debate, I would want to move to the code, and then we could adjourn for the evening.

Senator Stratton: I would expect that everything not heard today would stand in its place.

Senator Rompkey: Yes.

Senator Stratton: Thank you.

#### MIGRATORY BIRDS CONVENTION ACT, 1994 CANADIAN ENVIRONMENTAL PROTECTION ACT, 1999

BILL TO AMEND—THIRD READING

On the Order:

Resuming debate on the motion of the Honourable Senator Hubley, seconded by the Honourable Senator Mercer, for the third reading of Bill C-15, to amend the Migratory Birds Convention Act, 1994 and the Canadian Environmental Protection Act, 1999.

And on the motion in amendment of the Honourable Senator Angus, seconded by the Honourable Senator Buchanan,

That Bill C-15 be not now be read a third time but that it be amended in clause 9,

- (a) on page 13,
  - (i) by replacing lines 12 to 15 with the following:
  - "(1.11) Where a vessel of 5,000 tonnes deadweight or over is convicted of an offence under section 5.1, and the offence was committed intentionally or recklessly,
    - (a) a fine imposed on the vessel under paragraph (1.1)(a) for the offence", and
  - (ii) by replacing line 17 with the following:
    - (b) a fine imposed on the vessel under paragraph (1.1)(b) for the offence"; and
- (b) on page 14, by adding after line 23 the following:
  - "(1.9) No individual shall be convicted of an offence under this Act if
    - (a) the offence is alleged to have been committed in the course of the operation of a vessel, and
    - (b) at the time when the offence is alleged to have been committed, the individual is a master, officer or member of the crew of the vessel, or is in the service of the vessel on board the vessel,

unless it is provided that

- (c) the individual acted intentionally or recklessly, and
- (d) if, at the time when the offence is alleged to have been committed, the individual is a foreign national and the vessel is a foreign vessel, the offence was committed in the internal waters or territorial sea of Canada.
- (1.91) Subsection (1.9) is not a bar to the conviction under this Act of a vessel or a person other than an individual described in paragraph (1.9)(b) in respect of the conduct of an individual described in that paragraph."

Hon. Tommy Banks: Honourable senators, many acts of Parliament have accepted the fact that *mens rea* is impossible to apply to environmental law. That is law. Strict liability offences have been upheld by the Supreme Court of Canada. They are in place and they have been found to be appropriate.

The amendments proposed by Senator Angus have the effect of removing personal responsibility for acts that occur on vessels. That is like removing from the Highway Traffic Act the responsibility of the driver for what the car does. You cannot do that

The proposed amendments would also have the effect, in some cases, of removing Canada's jurisdiction in the exclusive economic zone. We cannot do that. We have to extend that jurisdiction.

The proposed amendments would also have the difficulty of requiring provable culpability on the part of a member of a crew for something that happened.

Honourable senators, I must explain. When a ship is in a fog at night and some oil comes out of that ship in that fog at night, it is not impossible — in fact, it is often very possible — to prove that that oil came from that ship because oil has a fingerprint. It can be shown with no doubt that that oil came from that ship. Ships can be prosecuted under maritime law. The question now is whether the ship is responsible for the oil, and the answer is that the ship is responsible. Is the master of the ship, the engineer, the second engineer, all of them or any of them guilty of an offence? They may be, and they are presumed to be, unless they can show due diligence.

Due diligence is a lower requirement of proof than beyond a reasonable doubt. Due diligence only needs to be shown on a balance of probability; it is a much lower threshold of proof.

Honourable senators, we do not have one law having to do with death. An individual can cause the death of a person and be found guilty of negligence or not guilty of negligence, or guilty of manslaughter or guilty of murder or guilty of capital murder. Different levels of penalty are applied to those things, as there will be under this law.

Prosecutions for offences that can result in jail do not normally proceed in this country unless the Attorney General determines that there is a likelihood of a successful prosecution obtaining a conviction.

That is the case with the more onerous sections of this bill, too. Bill C-15 will not allow, willy-nilly, people who are innocent and demonstrably innocent to be charged unreasonably with a crime or put in jail or fined unreasonably. If we were to put into all Canadian law some kind of stricture that exempted people unless they could be proven beyond a reasonable doubt to have committed something in the *mens rea* sense, we would obviate all Canadian environmental law in one fell swoop. We cannot do that.

Prosecutions do not normally proceed unless there is the likelihood of conviction, and it is that style of reliance we accept in the committee from the government in respect of applying these penalties.

Honourable senators, that is my view with respect to the proposed amendments to the bill. I will have more to say later on about the body of the bill.

Hon. John Buchanan: Honourable senators, I do not oppose this bill per se. I have said in the committee, as the chairman knows, that, in principle, I support this bill. Who would not support this bill? It is motherhood. I am an Atlantic Canadian. We have to protect seabirds and migratory birds; there is no question about that.

We do not have the serious problem that, obviously, they have in Newfoundland. I do not know why that is, but if 300,000 birds a year are killed off the coast of Newfoundland by bilge oil, then so be it. I have not seen any proof of that at all, by the way. I have heard people from Environment Canada talk about it, but, as Senator Angus and, I believe, as Senator Adams said, there is no proof. They were not able to give any proof of that.

It is interesting to note something that I just found, which I think honourable senators should be aware of. It begs the question as to what causes marine pollution. The Groups of Experts on the Scientific Aspects of Marine Pollution — a United Nations body — says the following: "Eighty-eight per cent of ocean pollution comes from non-marine sources; 44 per cent comes from land discharge; 33 comes per cent from atmospheric fallout; 1 per cent comes from offshore exploration; and, 10 per cent comes from illegal dumping from offshore outside maritime industry." Honourable senators, that leaves 12 per cent from marine sources. Granted, 12 per cent could be a big number when you are talking about a lot of birds that have been killed by bilge oil.

However, honourable senators must understand something else. There are, as the United Nations study indicated clearly, many other reasons for birds being killed at sea, just as there are many reasons for birds dying on land. We have to take that into account — but forget that for a minute.

The principle of the bill is fine, but here is another fact. We have had evidence from the International Shipping Federation, Fairmont Shipping Canada, British Columbia Ferry Services, the Canadian Shipowners Association and the International Chamber of Shipping.

#### • (1810)

They told us that 90 per cent, and perhaps more, of Canadian vessels are not causing the so-called bilge oil pollution. That means that only 5 to 10 per cent of Canadian vessels may be causing it, and most of the pollution is caused by international vessels.

That was the testimony given by the witnesses from the shipping federations, including the national coordinator of the International Transport Workers Federation. I asked them who they represent and they said that they represent the longshoremen in Halifax and other ports, the Checkers' Union and masters and engineers. In fact, they represent about 35,000 seafarers in this country.

Incredibly, that union group agreed with all the shipping federation people and the shipowners. I cannot recall one of them being opposed to the principle of this bill, which is to stop offshore pollution.

The point was made that, since the United States imposes heavy fines for polluting, ships dump off the coast of Newfoundland and perhaps Nova Scotia rather than off the coast of the United States. That may be correct. However, for the most part the United States does not criminalize for accidental spills. It does criminalize for wanton recklessness and they impose heavy fines for that, but they have more civil cases than criminal cases.

The American law is enforced to a much greater extent than is Canada's. It is enforced by the United States Coast Guard, which is the third largest navy in the world. They catch the polluters, sue them in civil court, seize the vessels and fine them heavily.

We have no problem with heavy fines for polluters. However, when we criminalize captains and engineers because of accidental oil spills, we have gone too far. That violates the Canadian Charter of Rights and Freedoms.

Let us remind ourselves of reverse onus and presumption of innocence. That goes back to our system of common law.

An Hon. Senator: Were you there?

**Senator Buchanan:** That honourable senator tried for 25 years to defeat me in government. He helped to do so in 1974, but in 1978, 1981, 1984 and 1988 we beat them, so he had better be careful about what he says to me.

Senator Mercer: Do you want a rematch?

Senator Buchanan: I am getting too old for that.

Let us go back to the common law. There is a general presumption that a person is innocent until the contrary is proven, and, in general, the more serious the crime, the more clearly it must be proven. That is the common law. That is found in Halsbury's Laws of England and the Oxford Companion.

The Canadian Bill of Rights says that a person has the right to be presumed innocent until proven guilty.

Let us move ahead to 1982 when the Charter of Rights and Freedoms that we fought so hard for was signed by Prime Minister Trudeau and the 10 Canadian premiers.

The Charter of Rights and Freedoms says:

Any person charged with an offence has the right...

d) to be presumed innocent until proven guilty according to law in a fair and public hearing by an independent and impartial tribunal;

Senator Banks: Read section 1.

Senator Buchanan: I am just about to do that. We put this in the Charter of Rights to protect —

**Senator Mercer:** To protect masters and engineers. What about the birds?

The Hon. the Speaker pro tempore: Order, please.

Senator Buchanan: Section 1 reads:

The Canadian Charter of Rights and Freedoms guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.

What did the learned counsels who appeared before the committee say about that? They understand the Charter of Rights and Freedoms and the presumption of innocence.

Alan Gold appeared before the committee. He is one of the top criminal lawyers in Canada, and he is recognized internationally. Mr. Gold said:

In my opinion serious constitutional issues exist regarding the validity of certain of the amendments in Bill C-15.

He was talking about amendments made by the House of Commons.

I should mention that more than 50 per cent of the witnesses we heard were never asked to appear before the House of Commons committee. They sent letters to the House of Commons committee and never received a reply and they were not invited to appear. However, they were heard before the house of sober second thought.

Mr. Gold also said:

The reverse onus is unconstitutional....it is clear that the reverse onus for the defence of due diligence is incontrovertibly contrary to section 11(d) of the Charter's guarantee of the presumption of innocence. To survive, the reverse onus would have to be justified under section 1 of the Charter. In my opinion that justification is not forthcoming. Therefore the reverse onus is unconstitutional as contrary to the presumption of innocence guaranteed by the Charter rights of Canada.

Mr. Gold said that the penalties and criminalization imposed by Bill C-15 could not be justified before any judge. It would not be justified under section 1 of the Charter of Rights and Freedoms and, therefore, section 11 is still the law of Canada.

• (1820)

There cannot be a reverse onus. It contradicts and violates the Charter of Rights and Freedoms of this country to criminalize. Would anyone want their son or daughter to be a captain or a chief engineer or a seafarer of a vessel that had an accidental spill? The observations appended to the report of the Energy Committee state that the minister said the government would not let that happen. That just is not true. What happens if a game warden is the person who could charge the engineer or the

captain? I know that game wardens in Cape Breton or in Nova Scotia catch deer hunters who are hunting deer illegally. Let us suppose that a game warden is trained to go to sea. Senators, according to Mr. Alan Gold and Mr. William Sharpe, to whom we paid good fees for an independent legal opinion, Bill C-15 would criminalize a captain and an engineer because they could be charged with a criminal offence if, while they might be asleep and traveling through fog, their vessel were to accidentally spill oil.

The Hon. the Speaker pro tempore: Senator Buchanan, I regret to advise that your time has expired.

Senator Buchanan: Honourable senators, I request leave to continue for five minutes.

The Hon. the Speaker pro tempore: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Senator Buchanan: The captain or the engineer might be off the coast of Nova Scotia or Newfoundland when suddenly someone sees a DFO vessel pulling alongside with a game warden aboard who could charge the captain and the engineer because there was an accidental spill of oil. Some officials might say that game wardens would not dare do that, while others would say, yes, they would. The Minister of the Environment said he would not allow that to happen, but the problem is that the minister is in Ottawa.

Someone once said that one has to call the Minister of Transport to get permission to drive a snowmobile across a highway. A friend wondered what he would do if he were out on his snowmobile on a Sunday afternoon and had to cross the highway but the Minister of Transport could not be reached. He decided that he would not be able to cross the highway. The same thing would happen in the case of the captain and the engineer.

A pollution control officer could board the vessel, explain that oil had been found on the side of the vessel, and the captain et al would be charged under the related section in the proposed legislation. If the accused were able to prove by due diligence that he did not cause the spill, fine; but he would nevertheless still be charged and have to appear in court for that determination.

The poor captain and his engineer, both of whom who might have a clear 25-year record, would have to go to court to prove that they did not know anything about it. They could be acquitted of the charges, but the criminal charge would remain on their records. The stigma of that would remain on their records.

Seriously, that could happen under this bill. Mr. Alan Gold said that it is unconstitutional. Mr. William Sharpe said that it is unconstitutional. Representatives of the Shipping Federation of Canada and the Western Canadian Shippers' Coalition said that it is unconstitutional. That is okay — they all went to law school. No one should challenge Alan Gold — because if ones does, one will be up the wrong creek without a paddle.

Think about this: Why should honourable senators pass a bill that will not only be challenged as unconstitutional but also be found unconstitutional by the courts? At the UNCLOS conference, Canada will be challenged, because every one of the shipping lawyers that gave us evidence, including our own counsel and Alan Gold, said that this bill contravenes UNCLOS and MARPOL and that it will be challenged.

Honourable senators, think back to the MMT bill, Bill C-94. It cost Canada \$26 million. This is what happened. MMT was a fuel additive, used by refineries, including in Halifax and Dartmouth. The refineries objected to Bill C-94, but the motor companies were insisting that MMT be banned. Environment Canada said that it would put forward a bill to ban MMT. Ethyl Corporation, manufacturers of MMT, argued that the government could not ban MMT because it violated NAFTA and interprovincial trade. Environment Canada gave assurances that NAFTA would not be violated — just like it has given assurances about Bill C-15.

That bill was passed. Some objected to it, including myself, and voted against it on legal grounds, because of Canada's international treaties and because of interprovincial trade, which I know something about. What happened? Ethyl Corporation said that if the bill were passed, they would complain immediately to the NAFTA tribunal and to the interprovincial trade group — and they did. What happened? The government failed on interprovincial trade. It lost the battle and was told that it would lose the battle at the NAFTA tribunal. What did the government do? It settled, repealed the bill, and paid \$26 million in damages — because no one would listen to the legal advice. Rather, Parliament listened to departmental officials who assured that this would not happen; \$26 million was what happened. Why is this place doing the same thing now?

Think about it. This place is considering passing a bill that will be proven unconstitutional and that will be thrown out by the courts. Senator Cochrane, there will be more birds coming up in Newfoundland than imaginable, because the bill will be gone and you will have to start over at point zero. We have the opportunity, as Mr. Sharpe and Mr. Gold said — that is, with the addition of one small amendment the bill could be corrected and still protect the birds.

Some Hon. Senators: Hear, hear!

Hon. Willie Adams: I wish to say a few words about Bill C-15. I have never said that I am opposed to the entire bill. In the 1960s there was an international agreement between the Government of Canada and other countries to regulate the treatment of migratory of birds. The territories did not have any representation, and national law applied. I heard from many people in the communities and there was government lobbying.

• (1830)

In 1970, the leghold trap was banned. At that time, the price of a white fox pelt went from \$70 to \$5. Seal skins went from \$40 down to \$5. The hunters could not afford to trap. Dog teams ceased to exist. People were buying Ski-Doos to go out on the land and hunt.

People in the community could not afford to buy things. They could no longer teach their kids how to live on the land and to hunt. Beginning in 1970, the government stepped into the schools and the community. People had nothing to do so they went on welfare. They stayed in the community, stayed home and got drunk. Drugs were coming into the community.

Prior to 1970 there were few incidents of suicide. After that time, however, parents were not teaching their children to hunt, so they stayed at home. Many children between the ages of 10 and 14 were talking about suicide.

If we pass Bill C-15 it will be criminal. If the animal rights activists have more rights in the future, it will be criminal. We will not be only talking about sea birds, but any kind of birds. There are many geese in the North, but the Inuit are not allowed to hunt in the spring because geese are out of season.

There used to be a game warden in my community. At that time of the year there are 24 hours of daylight. When we would go out on the weekend, we would make sure the game warden was sleeping. We made sure to come home by two o'clock in the morning so we did not get fined or put in jail.

If Bill C-15 passes, I do not want animal rights activists saying that the people in northern communities are criminals for killing seabirds. It does not matter how much oil is spilled, whether it is a litre or a half litre, they could be charged. Every weekend when we go hunting we use a boat with an outboard motor. We use oil. I asked at the beginning of the hearings if the bill applied to only oil spills on the sea, and the department officials said no, anywhere — the land, the lakes, the rivers.

The Hudson's Bay Company was established over 300 years ago and now we have no more Hudson's Bay in the community. It was the Hudson's Bay Company that built Canada. Most of Canada at that time was owned by Hudson's Bay. I believe that was around 1800, and then the government started buying land piece by piece.

We felt sad when we lost our culture and our hunting. That is why I have to make sure that our hunting rights are protected and not infringed by legislation. Hunting is part of our future.

In December of 2002 our Senate committee dealt with Bill C-5, the species at risk legislation. Quotas for whales and polar bears were cut back, which means less income for hunters. If the animal right activists lobby any other country, such as Japan, prices go down.

In the 1970s and 1980s, a polar bear skin was selling for \$3,000 to \$4,000. Today we are lucky to get \$1,000 or \$1,500. In the meantime, the cost of food and other things has doubled in price.

#### • (1840)

Every summer we have a sealift. I represent 26 communities in Nunavut. There is only one community inland and the other 25 are all on the coast. We do not have a highway. We only have a few stores, such as a Co-op. Once a week food comes into the stores to make sure we have fresh fruit, milk and bread for our kids. Two litres of milk costs \$10 to \$11.

If we want to order fresh food from Grise Fiord or Pond Inlet in Nunavut and Baffin Island, we pay \$6 per kilogram just for the freight. If we buy chicken, pork, beef or something like that, it might cost \$3 or \$4 per kilogram or maybe \$15 for the kilogram by the time the food is delivered.

My concern is if there are fines for the shippers, insurance rates will rise in case a spill happens. They will have to pay the fines. That is why Bill C-15 is coming into law. The bill will criminalize the killing of seabirds and the spilling of even small amounts of oil.

I am not accusing anyone here, but you live in the South. Food is advertised through coupons and junk mail sent to your home. We do not get that in Inuktitut. Between 60 to 80 per cent of our food comes from the land and the water.

The Hon. the Speaker pro tempore: Senator Adams, I regret to inform you that your time has expired.

Is the house ready for the question?

Hon. Senators: Question!

**The Hon. the Speaker** *pro tempore*: Is it your pleasure, honourable senators, to adopt the motion in amendment?

Some Hon. Senators: Yes.

Some Hon. Senators: No.

The Hon. the Speaker pro tempore: Those in favour of the motion in amendment will please say "yea."

Some Hon. Senators: Yea.

The Hon. the Speaker pro tempore: Those opposed to the motion in amendment will please say "nay."

Some Hon. Senators: Nay.

The Hon. the Speaker pro tempore: In my opinion, the "nays" have it.

And two honourable senators having risen:

The Hon. the Speaker pro tempore: Call in the senators.

Hon. Terry Stratton (Deputy Leader of the Opposition): I would suggest a 30-minute bell because a committee is in session over in the Victoria Building.

The Hon. the Speaker pro tempore: There will be a 30-minute bell.

• (1910)

Motion in amendment negatived on the following division:

### YEAS THE HONOURABLE SENATORS

Angus Buchanan Comeau Di Nino Kinsella McCov

Murray Oliver Prud'homme Stratton Tkachuk-11

#### NAYS THE HONOURABLE SENATORS

Bacon Banks Bryden Callbeck Chaput Christensen Cochrane Cook Corbin Cordy Cowan Day De Bané Fairbairn Ferretti Barth Finnerty Fraser Gill Grafstein

Harb Hubley Léger Losier-Cool Mahovlich Mercer Milne Mitchell Moore Munson Pearson Pépin Phalen Ringuette Robichaud Rompkey Smith

Trenholme Counsell

Watt-38

#### **ABSTENTIONS** THE HONOURABLE SENATORS

Nil

The Hon. the Speaker pro tempore: Are honourable senators ready for the question?

Hon. Senators: Ouestion!

The Hon. the Speaker: It is moved by the Honourable Senator Hubley, seconded by the Honourable Senator Mercer, that the bill be read the third time.

Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

An Hon, Senator: On division.

Motion agreed to, on division, and bill read third time and passed.

• (1920)

#### RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

#### THIRD REPORT OF COMMITTEE ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Smith, P.C., seconded by the Honourable Senator Robichaud, P.C., for the adoption of the third report of the Standing Committee on Rules, Procedures and the Rights of Parliament (conflict of interest code for senators), tabled in the Senate on May 11, 2005.—(Honourable Senator Angus)

Hon. W. David Angus: Honourable senators, when we vote tomorrow — as I believe we will, unless there another surprise tonight — to adopt the conflict of interest code for senators, it will represent a most significant milestone in the venerable history of the Senate.

By adopting the code, we will be concluding a lengthy and complex, but very worthwhile, process, which, in its modern-day iteration, commenced more than 10 years ago, during the first session of the Thirty-fifth Parliament. At that time, a special joint committee of the Senate and the House of Commons was established, with a mandate to develop a code of conduct to guide senators and members of the House of Commons in reconciling their official responsibilities as parliamentarians with their personal interests and activities in private life.

The work of the joint committee was not completed at the time of prorogation of the first session of the Thirty-fifth Parliament. Accordingly, that special joint committee was reconstituted on March 21, 1996, at the outset of the ensuing session of Parliament, under the joint chairmanship of our colleague, the Honourable Donald Oliver, and the current Speaker of the House of Commons, Peter Milliken.

I had the honour and privilege to serve as a member of that joint committee, along with Senators Bosa, Di Nino, Gauthier, Spivak and Stollery. I commend the leadership provided to that joint committee by Senator Oliver, who was fought an uphill battle all the way through. Senator Oliver did a great job for us.

Hon. Senators: Hear, hear!

Senator Angus: This joint committee completed its work and reported to both Houses of Parliament in March of 1997. The report included a draft code of official conduct for parliamentarians.

Honourable senators, this important initiative of the joint committee constituted Parliament's response to a growing perception amongst Canadians that its MPs and senators were out of step with other parliaments and legislatures in the democratic world, in that they were not making adequate public disclosure of their personal interests and activities.

This situation in turn was fostering a disquieting issue amongst Canadians as to whether their federal parliamentarians were in fact making decisions in the best interests of the general public and as to whether our system was unduly vulnerable to abuse of office by members of Parliament and senators.

Honourable senators, when I was summoned to this chamber on June 10, 1993, I was leaving a practice of law where I suffered through a daily barrage of lawyer jokes.

A good start was 200 lawyers at the bottom of Lake Ontario.

Somewhere near Calgary an Indian walked into the chief's wigwam, and the chief said, "What is your news?" The Indian said, "I have good news and bad news." "What is the bad news?" The Indian replied, "There are 300 Montreal lawyers who have just arrived on the reservation." The chief asked, "What is the good news?" "They taste like buffalo."

I had not been in this place more than two weeks when I was beset with senator jokes. This place and people like us were fodder for newspapers, which daily ran allegations or articles denigrating us and the work we were trying to do in good faith for the country.

All of us, in good faith, tried to obviate the public's concerns. The code developed at that time in the joint committee was but one of the initiatives taken to try to correct the image of this place.

At the time the joint committee was set up, the Library of Parliament noted, in part, in a background paper for that joint committee, the following:

Public disclosure of private interests is a feature of virtually all modern conflict of interest regimes. Public disclosure is typically preceded by confidential disclosure to the responsible authority, who then prepares the public disclosure documents. Most regimes exclude from public disclosure such items as residences, recreational properties, cars and so on.

The report of the joint committee emphasized in March 1997 that the purposes of the proposed draft code, which was appended to that report, were — and I quote some of them:

- (i) to recognize that service in Parliament is a public trust;
- (ii) to reassure the public that all Parliamentarians are held to standards that place the public interest ahead of their private interests and to provide a transparent system by which the public may judge this to be the case;
- (iii) to provide guidance for Parliamentarians in how to reconcile their private interests with their public duties, including establishing common rules of conduct and providing the means by which questions relating to proper conduct may be answered by an independent, non-partisan adviser.

That report of March 1997 underlined that MPs and senators should conduct themselves with honesty and integrity and uphold the highest ethical standards so as to maintain and enhance public

confidence and trust in the integrity of each and every MP and senator, as well as in the institutions themselves, the House of Commons and the Senate.

In short, that code provided that MPs and senators should perform their official duties and arrange their private affairs in a manner that will bear the closest public scrutiny. All of this was to be accomplished through that new and far-reaching system of public disclosure that I referred to. It was to be a whole new regime of transparency, a rules-based approach heretofore unknown in this part of the world.

• (1930)

Honourable senators, as we all know, that code was never adopted, notwithstanding persistent public concern and almost daily public criticism by the likes of Jack Aubry of the local Ottawa newspaper from March 1997 to the beginning of the last session of Parliament when the government, in its wisdom, declared its intention to implement that code, together with appropriate legislation.

Honourable senators, there were various good and valid reasons for this seemingly long delay in getting to where we are today. Perhaps the most important of these, from our viewpoint as senators, is our consistent and strongly-held conviction that one size does not fit all, that the roles and characteristics of the Senate and its appointed senators are markedly different from those of the House of Commons and both its back-bench members of Parliament and those with the enhanced responsibilities of cabinet ministers. It followed logically that the honourable members of this chamber insisted that there be a separate code of conduct or set of rules governing the public and private behaviour and ethical standards of senators.

On March 31, 2004, after much debate both here and in the other place, Bill C-4 of the Third Session of the Thirty-seventh Parliament, to amend the Parliament of Canada Act (Ethics Commissioner and Senate Ethics Officer) and other acts in consequence, was enacted. This is the enabling legislation referred to yesterday by the Honourable Senator Joyal in his comprehensive remarks about our proposed new code in this chamber and pursuant to which Mr. Bernard Shapiro of Montreal was appointed Ethics Commissioner for the other place and Mr. Jean Fournier was appointed Senate Ethics Officer, both appointments being made by the Governor-in-Council after due consideration and approval by the House of Commons and the Senate. It is as well the governing statute for the conflict of interest code that we have before us this evening and will vote on tomorrow.

This conflict of interest code for senators is a remarkable document. It is the excellent fruit of a long and thoughtful but arduous labour by many of our honourable colleagues and their assistants and advisors, to all of whom we owe a substantial debt of gratitude. It differs greatly in scope and application from the 1997 Code of Conduct for Parliamentarians, while at the same time retaining its noble and essential tenor with respect to our service here being a public trust and the need for us to conduct ourselves in accordance with a particularly high standard of integrity and ethical standards.

Honourable senators, Senator Smith, Senator Di Nino and Senator Joyal have assured us that this is still an organic document. Although it will be voted in and become our code of conduct, it can be amended.

A high standard of ethical conduct and behaviour is very important, honourable senators, because, as we know, we live in a fish bowl. It is 2005, and we are scrutinized in everything we do and on how we conduct ourselves both in our private lives and here on the Hill in Ottawa. We should learn a lesson from the kind of behaviour we talked about earlier today, which the Speaker pro tempore emphasized in her ruling. I counted four articles in Quorum today that were critical to us. There are such articles in Quorum every day. We owe it to ourselves to clean up our act.

Why should we pass Bill C-33 when it violates the principle of giving the taxpayer a fair kick at the can in accordance with centuries-old law and principle? Why should we pass it when we are told by all the experts that it is wrong? Why did we pass Bill C-15 when we know it is unconstitutional and could easily be fixed? I do not know why. I hope that in the future we will keep in mind the obligations that we have to the public.

The time-worn label, or sobriquet, of "chamber of sober second thought" is as valid today as it was in 1867. I am delighted that it has been so well recognized and accommodated in the drafting and redrafting of this new code. As a result, our code is much better than the one that was adopted earlier this year in the other place — because we gave it sober second thought. We owe a tremendous debt of gratitude not only to the chairman and the members of the special committee but also to all of our colleagues who took the time to send in letters over the Christmas holidays and to attend the meetings of the committee. Senator Joyal said he attended 26 meetings. The result of all those efforts is that we have a document that is custom made for us. I suggest that we treat it with great respect and that we show Canadians that we care.

I am delighted, honourable senators, to note one of the basic guiding principles of this code in section 2(1)(9):

Senators are expected to remain members of their communities and regions while serving the public interest and those they represent to the best of their abilities.

That it recognizes that we have another life in the real world, and we are encouraged to carry out the functions that we were conceived of when this institution was created in 1867.

Sir John A. Macdonald said:

It must be an independent House, having a free action of its own, for it is only valuable as being a regulating body, calmly considering the legislation initiated by the popular branch, but it will never set itself in opposition against the deliberate and understood wishes of the people.

A Legislative and Historic Overview of the Senate of Canada, which I believe is available to all of us and is in the package made available to new senators, reads:

As a Senator's writ of summons states, he or she has been appointed "for the purpose of obtaining your advice and assistance in all weighty and arduous affairs which may be the State and Defence of Canada concern". In theory, then, Senators are given a different function than that of the popularly elected members.

The Hon. the Speaker pro tempore: Senator Angus, your time has expired. Are you seeking another five minutes?

Senator Angus: Yes, please.

Hon. Senators: Agreed.

Senator Angus: Thank you.

Honourable senators, in 1980, the report of the Legal and Constitutional Affairs Committee on certain aspects of the Canadian Constitution listed four roles of the Senate, all of which were complementary to the functions of the House of Commons. They were: A revising legislative role; an investigative role; a regional representative role — hence the need to have a profile and a real life in our districts so that we can do our work there — and a protector of linguistic and other minorities role.

Who would argue with the suggestion that we are doing that and doing it very well? The question is whether we are getting credit for it.

These are the roles, honourable senators, that this chamber has historically played through its appointed senators. It is for that reason that we are clearly different from our friends in the other place. That is why it is important that we took the time, with the able assistance of people like the Honourable Senators Smith, Di Nino and Joyal, to get a custom-made code that recognizes us for what we are and what we are supposed to be and the genius of Sir John. A. Macdonald and the other Fathers of Confederation when they created this place.

• (1940)

Honourable senators, I cannot tell you, even in my short stay in this place, how many newly appointed senators came to my office and simply said, "Wow, this is an amazing institution." Whether it is the Parliament of Canada library facilities, the wonderful staff we have in the Senate, the wonderful offices, the generous budgets to carry out our work, can you imagine abusing such a wonderful place and institution as the Senate? However, we all know that it is not well regarded out there, which is a shame.

I look around this chamber and see senators from all different parts of this great nation, and we all care about what we are trying to do here. Then we hear jokes about the Senate: "What do you call a lawyer gone bad? A senator." Give me a break, but that is the reality.

I urge honourable senators to read the code, and I am sure you all have. It is not perfect by any means. It has many areas that might give us difficulty, but the spirit is right. The general tenure is in accord, I believe, with what the fathers had in mind and with which we can easily live. We can do our Canadian citizens proud as well as the prime ministers who appointed and summoned us here. That is the least we can do.

Honourable senators, I earnestly believe that this code in its present form is a fine product, appropriate not only to our particular needs in the Senate but also responsive to the public's need and right to be sure that our conduct is appropriately monitored and that a cogent, fair and balanced rules-based process is in place to ensure we fulfill our public trust, on the one hand, yet, on the hand, continue to enjoy privacy in the conduct of our personal lives and affairs.

I would like to share with honourable senators that at one stage I was quite concerned that the new rules-based approach had the potential to tip that important balance in a manner that would unduly restrict senators in the conduct of our private lives and affairs and, perhaps, even serve as a disincentive to other Canadians of goodwill to respond positively to a summons to the Senate.

My concerns have been allayed, honourable senators. Tomorrow we can proceed with confidence to vote in favour of this code. We all owe a tremendous vote of thanks to Senator Smith, Senator Di Nino and all our other colleagues who worked so hard to ensure that we ended up with a conflict of interest code for senators that appropriately serves the purposes intended.

Hon. Senators: Hear, hear!

Hon. Terry M. Mercer: I wonder if the honourable senator will permit a brief question to clarify something. He was very generous in his praise of Senator Di Nino, Senator Joyal and Senator Smith. I am sure it was an oversight on his part to leave out of that equation the great work done by Senator Fraser. I would like to make sure the record is corrected, and I know that my honourable friend would want to join me in thanking her for her work.

**Senator Angus:** Absolutely, I certainly do.

Hon. Marcel Prud'homme: Honourable senators, there is nothing like being open with each other. I have to replace someone who was supposed to be the host tonight for a very influential delegation visiting Canada. It would be very impolite not to be there.

In case the two sides have made an agreement to adopt the report tonight, as Senator Rompkey seems to have indicated that there will be no debate on it tomorrow, I will abstain. If it is put to a vote by agreement, I will say "on division." I will not mind meeting the press on the issue.

Senator Angus, who has his facts correct, mentioned the famous committee of Senator Oliver, whom I respect very much, and Mr. Milliken. I happened to sit on a committee a long time ago on the same subject. Honourable Senator Callbeck and I are survivors of an old code of ethics that we wanted to see. We were in favour of it.

My concern is the election to this new committee of two senators from each side and then a fifth one to be chosen by the four. I still have concerns that I want registered. I have concerns about their legislating us. Parliamentarians should debate like this — on the spot, listening to each other without notes.

Senators are aware that before the Oliver-Milliken committee, there was a well-known committee co-chaired by Senator Richard Stanbury, a famous ex-President of the Liberal Party of Canada, and Mr. Don Blenkarn from the other place. I am going back now 20 years.

I am not happy with the way we will choose those who will represent us. Is Senator Angus satisfied that this committee is absolutely essential? We will be attacked about having a committee of our own looking over the shoulder of the Senate Ethics Officer.

Senator Angus: As I said, this is an organic code. Senator Joyal eloquently explained yesterday that it was important to find a way to place the interests of this chamber under the appropriate supervision of the Senate and the SEO. This was the mechanism devised by the committee on which Senator Fraser was an important player. I believe that either Senator Smith or Senator Fraser would be the better person to answer the question. I am comfortable with the concept.

I stated yesterday in my question and I reiterate now that it will be a hell of a job for those five people. It is new ground; it is rules-based. Do not forget those words.

In the past, we operated on principles. There is the Criminal Code, a House of Commons and a Parliament of Canada Act. That system of operating has worked well and has served us well, and I wrote a letter saying so. However, we were not in step with other democracies with respect to transparency. That is why we have come this way. I was worried, as I said.

The mechanism is ingenious. I thought it was terrific. I empathize with the 11 senators mentioned yesterday who do not fall into either the government side or the opposition side. I proposed an easy solution, namely, a sentence stating that for the purpose of this code, all 11 unaffiliated senators shall be deemed to be Conservatives.

Hon. Senators: Oh, oh!

**Senator Angus:** That would handle the situation pretty well.

Maybe Senator Smith or others could answer. It is a good solution, and I do not know how we deal with Senator Prud'homme.

The Hon. the Speaker pro tempore: Honourable senators, Senator Angus's time has expired.

Senator Prud'homme: Senator Angus is a long-time friend, and a friend of my best friend in Montreal, Father Gabriel. He would be happy to know that. When he says he does not know how to accommodate, it is not a question of accommodating me. It is a question of knowing what is right, what is doubtful and what is wrong. Senator, I am sure you do not mind that I tip my hat to your friend and my friend, Father Gabriel.

#### e (1950)

[Translation]

Hon. Gerald J. Comeau: Honourable senators, I want to share with you my comments and thoughts on the code of ethics. I have served in one chamber of Parliament or another for 20 years. Given my experience and my observations in all those years, I believe I have some non-partisan advice to offer that the honourable senators might have found useful.

It was the great American philosopher Yogi Berra who said:

You can observe a lot by watching.

Unfortunately, today is the last day to take part in the debate. The message is clear: it seems paramount to rush through the code of ethics, and therefore my comments are unwelcome.

The code is a political issue. We must proceed carefully and reflect on how to present our comments since this is a delicate subject. In such a case, it is difficult to make comments without running the risk of being misunderstood. Senator Prud'homme indicated earlier that we should be able to stand and make comments on anything, without notes. However, it is better to weigh one's words carefully when it comes to such a sensitive subject.

We are well aware that journalists can twist our words in their stories. I would have liked my comments to be welcomed by all those who have spent so much time producing this code of ethics.

For all those reasons, I will limit my remarks to the process the government followed. The committee often met in camera in order to develop this code. I greatly appreciate all the time spent and work done. However, this should not replace real public debate.

Last Wednesday, I was told that if I had had any comments, I should have made them in committee. I will quote exactly what was said to me:

The train has left the station.

The reason I did not take part in committee discussions was because I had other responsibilities. If you look at this side of the chamber, you will see that there are very few of us. This is because, increasingly, we must divide our time to do more and more work.

It was my hope that, with a bit of goodwill from the government, we would have been given a bit of time to debate the matter in this chamber, but that is not the case. We are passing bills at top speed without any reflection and without adhering to the historical standards of this chamber.

Since most of the committee proceedings were in camera, I think that it would have been appreciated if some of the debate had been public. The meek majority of senators, however, having given their opinions, will limit and end the debate and that will be that.

My speech today on the code related to the minority in this place. Everyone will agree with me that the quality of democracy

is measured by the respect toward the minority shown by the majority.

How can this chamber respect the minorities in Canada when it does not respect its own minority? The lack of respect for differing opinions and the obvious haste are clear proof of how little the government values senators as a group.

Our concerns are of no value. The government can do as it pleases, with impunity, backed up by its majority. That is how this place operates at the moment. Let us keep in mind that it was designed along the principles of respect, reflection and civility.

Forget the fine principles that once made this place a house of sober second thought. The reality is that the majority imposes decisions from the Prime Minister's Office and, as far as I can tell, the fine principles are futile and outdated.

Again today, we saw what happens when there is a lack of preparation and reflection. We saw this almost all day. What are we to do? The Leader of the Government in the Senate clearly indicated he was imposing a time allocation on the debate. Am I to drop all my other responsibilities and duties in order to quickly prepare my comments on the code of ethics? I am not prepared to do so.

If I am to prepare my observations on such a complex and controversial issue, I would need to have enough time to do so. However, I now have no choice but to submit to the will of the majority.

I remind all senators that every time we limit debate, every time the minority is pushed into a particular course, we lose a little bit more of the value and spirit of this chamber. Honourable senators, if that is the case, then we all lose.

[English]

The Hon. the Speaker pro tempore: Is the house ready for the question?

Hon. Senators: Yes.

The Hon. the Speaker pro tempore: It is moved by the Honourable Senator Smith, seconded by the Honourable Senator Robichaud, that this report be adopted now.

Is it your pleasure, honourable senators, to adopt the motion?

Senator Comeau: On division.

Motion agreed to and report adopted, on division.

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, is there agreement to stand other items on the Order Paper until tomorrow?

Hon. Senators: Agreed.

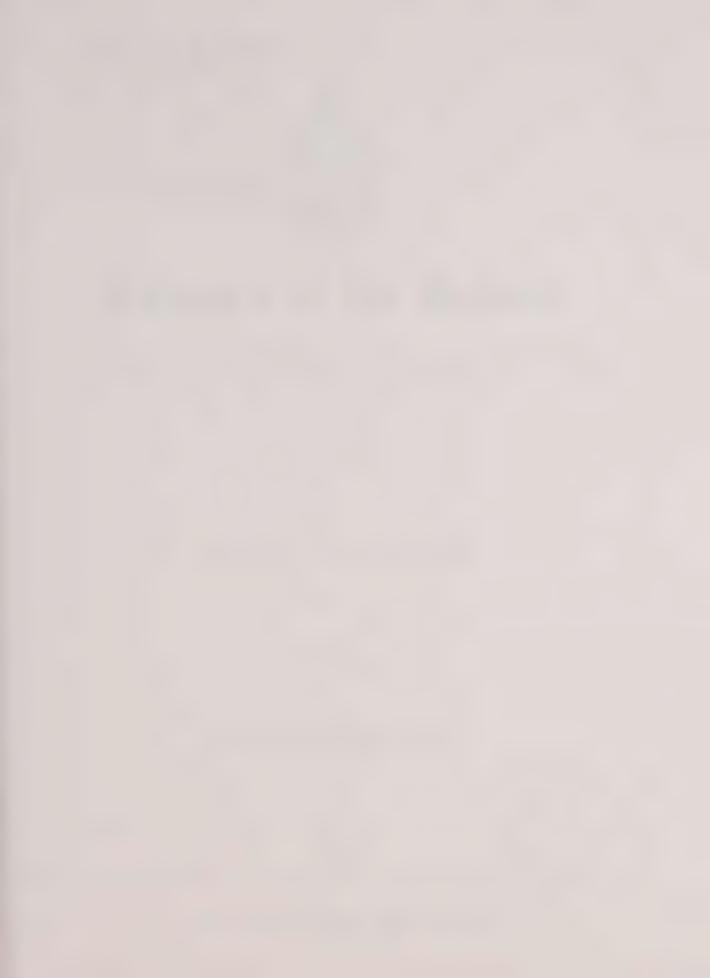
The Senate adjourned until Thursday, May 19, 2005, at 1:30 p.m.

## CONTENTS

# Wednesday, May 18, 2005

FAGE		PAGE
	Hon. Elizabeth Hubley	1305
ENATOR'S STATEMENT	Hon. Tommy Banks	1305
	Hon. W. David Angus	1306
	Hon. John Buchanan.	1307
va Scotia	Hon. Marcel Prud'homme	1307
lhousie Medical School Music-in-Medicine Program.	Hon. Raymond Lavigne	1308
n. Jane Cordy	Hon. Noël A. Kinsella	1308
	Hon. Lowell Murray	1309
	Hon. Rose-Marie Losier-Cool	1309
NAME OF COMPANION	Hon. Anne C. Cools	1310
DUTINE PROCEEDINGS	The Hon. the Speaker pro tempore	1314
	Hon. Elizabeth Hubley	1314
	Hon. Ethel Cochrane	1313
minal Code	Hon. Willie Adams.	1216
A Identification Act	Point of Order.	1310
tional Defence Act (Bill C-13)	Hon. Tommy Banks	1316
I to Amend—Report of Committee.  Jun. Lise Bacon	Hon. W. David Angus.	
III. LISE Bacon	Hon. Eymard G. Corbin	1317
nada Grain Act	The Hon. the Speaker pro tempore	1317
nada Transportation Act (Bill C-40)	Hon. Anne C. Cools	
I to Amend—Report of Committee.	Hon. Lowell Murray	
m. Joyce Fairbairn	Hon. Bill Rompkey	1317
	Hon. Rose-Marie Losier-Cool	
siness of the Senate	Hon. W. David Angus	1318
otion to Resume Regular Adjournment Procedure and Authorize	Motion in Amendment.	
Committees to Meet During Sitting of the Senate Adopted.	Hon. W. David Angus	
on. Bill Rompkey	Hon. Wilfred P. Moore	
	Hon. Jerahmiel S. Grafstein	
te Immunity Act	Hon. Ione Christensen	
iminal Code (Bill S-35)	Hon. Tommy Banks	1322
l to Amend—First Reading. on. David Tkachuk		
n. David Tkachuk	Business of the Senate	1222
e Senate	Hon. Bill Rompkey	
bute to Departing Pages.	Hon. Terry Stratton	1323
e Hon, the Speaker pro tempore	Migratory Birds Convention Act 1004	
c Holl. the Speaker pro tempore	Migratory Birds Convention Act, 1994 Canadian Environmental Protection Act, 1999 (Bill C-15)	
	Bill to Amend—Third Reading.	
	Hon. Tommy Banks	1323
RDERS OF THE DAY	Hon. John Buchanan	
NDERS OF THE BAT	Hon. Willie Adams.	
	Hon. Terry Stratton	
gratory Birds Convention Act, 1994		
nadian Environmental Protection Act, 1999 (Bill C-15)	Rules, Procedures and the Rights of Parliament	
to Amend—Third Reading—Debate Suspended.	Third Report of Committee Adopted.	
on. Elizabeth Hubley	Hon. W. David Angus	1328
Point of Order.	Hon. Terry M. Mercer	
Hon. Willie Adams	Hon. Marcel Prud'homme.	
Hon. Terry Stratton	Hon. Gerald J. Comeau	1332
Hon. Bill Rompkey	Hon. Bill Rompkey	1332







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**OFFICIAL REPORT** (HANSARD)

Thursday, May 19, 2005

THE HONOURABLE SHIRLEY MAHEU SPEAKER PRO TEMPORE



### **CONTENTS**

(Daily index of proceedings appears at back of this issue).

Debates and Publications: Chambers Building, Room 943, Tel. 996-0193

### THE SENATE

Thursday, May 19, 2005

The Senate met at 1:30 p.m., the Speaker pro tempore in the [Translation] chair.

Prayers.

### SENATORS' STATEMENTS

### NATIONAL SPEECH AND HEARING AWARENESS MONTH

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, Canadians are known for their dedication to others through generous gifts of time and monetary donations to some 78,000 charities across the country. According to a 2000 National Survey of Giving, Volunteering and Participating, more than 6.5 million Canadians volunteered just over 1 billion hours of their time to charitable and voluntary organizations. This is the equivalent of 549,000 full-time jobs. If those organizations had to hire people to do the work undertaken by volunteers, an estimate of their total payroll cost would be over \$17 billion.

Honourable senators, it is the dedication of volunteers that enables organizations such as the Canadian Association of Speech-Language Pathologists and Audiologists to celebrate May as National Speech and Hearing Awareness Month. With 5,000 volunteers across the country dedicated to the philanthropic efforts of the organization, they are able to promote understanding, prevention and research that could not be done without the efforts of their vivacious volunteers. As Vanessa Astraitis, a parliamentary intern from Ohio State University observed, "People often take for granted their gift of communication." Therefore, it was wise that the National Speech and Hearing Awareness Month was established.

Spoken language is an important foundation of the communication network that links us as human beings. It is within this network that we develop a sense of self and community. Furthermore, the functions of speaking and listening are of primal importance to the interaction of citizens in a successful society. These basic human abilities also provide us the power to affect the lives of our fellow citizens.

A communication disorder induces static into the life of the individual, thereby negatively affecting the enjoyment that a person obtains out of life. According to the University of Toronto, one in 10 Canadians has a speech or hearing problem. However, there are many speech and hearing problems, especially in children, that go undiagnosed. It is never too early to be tested. Early diagnosis and treatment can make the difference between a slightly inconveniencing communication disorder and a life-altering one.

### QUEBEC BLACK MEDICAL ASSOCIATION

Hon. Lucie Pépin: Honourable senators, on Friday evening, May 13, in Montreal, I had the privilege of attending the scholarship award ceremony of the Quebec Black Medical Association.

For the past 14 years, this association, under the leadership of Dr. E.C. Tucker, has provided assistance to hundreds of black students in pursuing careers in the health field. These scholarships have made it possible for top black health sciences students at the college or university level to complete their studies or research projects.

[English]

This initiative must be lauded and supported. The Quebec Black Medical Association does more than enable talented young people from the Black community to pursue careers as health professionals. Through this initiative, the association also helps to advance medical practice and research in Quebec and contributes to the vitality of the health care system that is so important to us.

I was delighted to attend the awards evening with all those young people who are determined to follow in the footsteps of eminent Black members of Quebec's medical community.

[Translation]

This year's recipients are: Makéna Hope Jane, Afék-wo Affy, Chandécia Walker, Bianca Moyo, Sabrina Fowlkes, Ony Norom, Amamda Béyde, Bhéka Bin-kosi, Yolanda Pénal-ba, Léslie Ann Stewart, Latoya Campbell, Tamara Gafour, Kamia Pétrin, Summer Marie Joseph, Jacob Cookey, Fréda Omawa, Sonja Lue, Sophia Koukwi, Chari Ann Webley and Tiffany Alexander.

These young doctors and researchers in training are the future of our country, and at the same time ambassadors of their community, in these times when racial prejudice is still with us.

I am sure that these young people will be the next generation of health professionals and, as I told them during the ceremony, I will be able to sleep soundly now that I know replacements are on the way. I congratulate all these future leaders and wish them much success.

[English]

### **NOVA SCOTIA**

### BILL NO. 213—INJUSTICES COMMITTED AGAINST PEOPLE OF AFRICVILLE

Hon. Donald H. Oliver: Honourable senators, a new bill introduced in the Nova Scotia legislature on Monday will help to address one of the worst historic injustices in my province's history.

Bill No. 213, to Address the Historic Injustices Committed against the People of Africville, also known as the Africville Bill, was introduced by Maureen MacDonald, the opposition critic for African-Nova Scotian affairs in the provincial legislature.

Ms. MacDonald represents the riding of Halifax-Needham, which encompasses the location where Africville used to exist before it was bulldozed by the City of Halifax over 40 years ago.

Bill No. 213 calls on the provincial government "to issue a public apology to former residents of Africville for the destruction of their community." It also proposes to "restore and preserve the land where Africville once was," and to "develop infrastructure to benefit the social development of former residents of Africville and their descendants."

According to a press release issued on Tuesday by Halifax Mayor Peter Kelly, the bill has been "positively received by provincial politicians, including African-Nova Scotian Affairs Minister Barry Barnet, and Premier Hamm."

Honourable senators, the story of this community is about a century-old. It was a thriving Black community of about 80 families, who happened to be situated on some lucrative commercial real estate.

### **(1340)**

For decades, even though the residents were law-abiding citizens, avid church-goers, and taxpayers, the City of Halifax provided no services — no water, no sewer, no public lighting, no electricity. The one dirt road passing through Africville was neither paved, nor ploughed or cared for by the City of Halifax.

In 1964, Halifax City Council passed a motion authorizing the destruction of Africville. The motion did not contain an obligation for the city to provide any form of continuing assistance to the 80 families that had their community expropriated and destroyed to make way for the MacKay Bridge.

By apologizing for this historic injustice, memorializing the land where Africville once stood and teaching Nova Scotians about Africville's rich history, perhaps the passage of this bill can provide some closure to one of the worst chapters in my province's history.

### THE CALDWELL PARTNERS

CONGRATULATIONS TO TOP 40 UNDER 40 AWARD RECIPIENTS, SARAH DENNIS AND GLEN LEBLANC

Hon. Terry M. Mercer: Honourable senators, Canada's Top 40 Under 40 is a national program funded and managed by The Caldwell Partners that celebrates young Canadian leaders who have achieved great success but who have not yet reached the age of 40.

Two of the award recipients announced this year are Sarah Dennis, Vice-president and Director of The Halifax Herald Limited, and Glen LeBlanc, Vice-president of Finance and Comptroller of Aliant, Atlantic Canada's telephone company.

Sarah Dennis leads The Halifax Herald Limited, a family-owned company and the largest independent daily newspaper in Canada. A graduate of Dalhousie University and a holder of an MBA from Saint Mary's University, Ms. Dennis was the inspiration behind the Herald's redesign and rebranding. She is also a leader in the volunteer community, sitting on the board of the Isaac Walton Killam Health Centre. In fact, from 2001 to 2003, she was the youngest chair of the board and was the first chair to have a baby while on the job.

A native of Sydney, Cape Breton, Glen LeBlanc completed his Bachelor of Commerce in 1989 at Saint Mary's University and received his Certified Management Accountant designation in 1994. Currently, Mr. LeBlanc sits on the board of CMA Magazine. Also an active member of his community and the volunteer sector, Glen is involved in various community events. He received UNICEF's Champion for Children award for outstanding community contribution in 2004.

Honourable senators, in choosing over 35 recipients, the board of The Caldwell Partners considers the nominees' achievements in the areas of vision in leadership, innovation and achievement, and community involvement and contribution. Both Sarah and Glen have accomplished much success in all of these areas and truly embody the meaning of the word "leader." I congratulate them and wish them both even greater success in the future.

### HALIFAX REGIONAL HERITAGE FAIR

Hon. Jane Cordy: Honourable senators, on May 7, 2005, I had the privilege of attending the fourth annual Halifax Regional Heritage Fair. It was fitting that the fair was held on the same weekend as our Canadian veterans were being honoured in the Netherlands for the work they did 60 years ago.

It was a pleasure to talk with participants. They have developed a strong understanding of their heritage, as was evident when they told their stories. I spoke with students about such topics as pit ponies, curling, Lucy Maud Montgomery and their own family histories. I had a wonderful discussion with Jennifer Melissa Brace, who was born in China and adopted by Canadian parents. Her project was on Canada-China links. Jennifer Melissa has a wonderful understanding of the diversity and uniqueness of her own heritage and that of our country.

I was particularly delighted to see and talk with a former student, Tim Kennedy, who did his project on Hope Cottage. Tim was in my grade two class five years ago when I was appointed to the Senate. It was such a pleasure to see him and his family again.

Honourable senators, the Heritage Fair's program is a wonderful opportunity for students to tell their stories and to better inform us all about Canadian history — our ancestors, our heroes, our milestones, our achievements and our character.

The young people at the fair chose to study our history and to share it in a public forum. The celebration of the heritage of our great country provides a lasting impact, not only for the participants but also for those of us who were fortunate enough to be present.

Honourable senators, understanding our roots and our history allows us to move more confidently into the future. I was pleased to be a part of this community celebration.

Steve Davidson was honoured for the work that he has done in promoting and organizing the first Heritage Fairs in Nova Scotia. I congratulate him and all who were involved in the Halifax Regional Heritage Fair — the students who worked so hard on their projects, the teachers who provided resources and encouragement, the organizers who worked on the logistical aspects of the event, and the parents and caregivers who supported the students. I encourage all honourable senators to attend heritage fairs in their provinces.

### THE SENATE

BILL TO AMEND MIGRATORY BIRDS CONVENTION ACT AND CANADIAN ENVIRONMENTAL PROTECTION ACT— COMMENTS IN MEDIA

Hon. Tommy Banks: Honourable senators, I wish to respond to some comments that were made in newspapers and on radio and television with regard to Bill C-15, which we passed yesterday. Those comments implied that the Senate and the Standing Senate Committee on Energy, the Environment and Natural Resources considered and passed that bill in response to pressure from elsewhere, including from environmental groups and members of the other place.

It was well known to all members of that committee that it was planned for some time that clause-by-clause consideration would be given to Bill C-15 on Tuesday. Despite that, some members of the other place decided to convene a press conference on Monday to comment upon the progress of the legislation in the Senate, to which press conference they failed to invite the sponsor of the bill in the Senate or any senator, so far as I am aware, of the committee studying the bill.

As a result of that press conference, despite the fact that the committee reported the bill properly to the Senate and the fact that the Senate dealt with it properly yesterday, comments have been made that the Senate "caved in to pressure." That is not so, honourable senators. There were comments that we fast-tracked the approval of the legislation as a result of pressure from others. That is not so, honourable senators.

Since comments have been made elsewhere, I feel obliged to discuss who fast-tracked what. The committee in the other place had two and a half meetings on this bill. Their first meeting was convened at 9:06 a.m. and the first half of it was spent on clause-by-clause consideration of Bill C-15. They then began consideration of Bill C-15, and the meeting concluded at 11:09 a.m. At their second meeting, they heard witnesses. At their third meeting, they considered the bill clause by clause and amended it.

The Senate committee considered this bill carefully during 13 meetings. We heard 42 witnesses.

I will leave it to others to decide who fast-tracked what.

### **ROUTINE PROCEEDINGS**

### **ANTI-TERRORISM ACT**

ANNUAL REPORT ON INVESTIGATIVE HEARINGS AND RECOGNIZANCE WITH CONDITIONS AND ANNUAL REPORT ON USE OF ARRESTS WITHOUT WARRANT TABLED

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour to table a copy, in both official languages, of a document entitled "The Antiterrorism Act — Annual Report concerning Investigative Hearings and Recognizance with Conditions, December 24, 2003-December 23, 2004."

Also, pursuant to the Anti-terrorism Act and to subsection 83.31(3) of the Criminal Code, I have the honour to table, in both official languages, a document entitled "Annual Report on the Use of Arrests without Warrant."

### THE ESTIMATES, 2005-06

### SECOND INTERIM REPORT OF NATIONAL FINANCE COMMITTEE TABLED

Hon. Donald H. Oliver: Honourable senators, I have the honour to table the eleventh report of the Standing Senate Committee on National Finance, a second interim report on the Main Estimates 2005-06, which deals with foundations.

On motion of Senator Oliver, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

• (1350)

### THIRD INTERIM REPORT OF NATIONAL FINANCE COMMITTEE TABLED

Hon. Donald H. Oliver: Honourable senators, I have the honour to table, in both official languages, the twelfth report of the Standing Senate Committee on National Finance, a third interim report on the Main Estimates 2005-06, which deals with the Officers of Parliament.

The Hon. Speaker pro tempore: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Oliver, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

### STUDY ON PRESENT STATE AND FUTURE OF AGRICULTURE AND FORESTRY

REPORT OF AGRICULTURE AND FORESTRY COMMITTEE TABLED

Hon. Joyce Fairbairn: Honourable senators, I have the honour to table, in both official languages, the seventh report of the Standing Senate Committee on Agriculture and Forestry entitled Cattle Slaughter Capacity in Canada.

The Hon. the Speaker pro tempore: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Fairbairn, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

[Translation]

### STUDY ON GOVERNMENT POLICY FOR MANAGING FISHERIES AND OCEANS

### INTERIM REPORT OF FISHERIES COMMITTEE TABLED

Hon. Gerald J. Comeau: Honourable senators, I have the honour to table the third report of the Standing Senate Committee on Fisheries and Oceans entitled Interim Report on Canada's New and Evolving Policy Framework for Managing Fisheries and Oceans.

Honourable senators, I move that the report be placed on the Orders of the Day for consideration at the next sitting of the Senate.

The Hon. the Speaker pro tempore: Honourable senators, is leave granted?

Hon. Senators: Agreed.

Motion agreed to.

[English]

### EXPORT AND IMPORT OF ROUGH DIAMONDS ACT

### BILL TO AMEND—FIRST READING

Hon. Bill Rompkey (Deputy Leader of the Government) presented Bill S-36, to amend the Export and Import of Rough Diamonds Act.

Bill read first time.

The Hon. the Speaker pro tempore: Honourable senators, when shall this bill be read the second time?

On motion of Senator Rompkey, bill placed on the Orders of the Day for second reading two days hence.

### CRIMINAL CODE CULTURAL PROPERTY EXPORT AND IMPORT ACT

### BILL TO AMEND—FIRST READING

Hon. Bill Rompkey (Deputy Leader of the Government) presented Bill S-37, to amend the Criminal Code and the Cultural Property Export and Import Act.

Bill read first time.

The Hon. the Speaker pro tempore: Honourable senators, when shall this bill be read the second time?

On motion of Senator Rompkey, bill placed on the Orders of the Day for second reading two days hence.

[Translation]

### CANADA-EUROPE PARLIAMENTARY ASSOCIATION

SECOND PART OF 2005 ORDINARY SESSION OF THE PARLIAMENTARY ASSEMBLY OF THE COUNCIL OF EUROPE, APRIL 25-29, 2005—REPORT TABLED

Hon. Lise Bacon: Honourable senators, pursuant to rule 23(6), I have the honour to table, in both official languages, the report of the Canadian delegation of the Canada-Europe Parliamentary Association on its participation in the second part of the 2005 ordinary session of the Parliamentary Assembly of the Council of Europe in Strasbourg, France, from April 25 to 29, 2005.

[English]

### CANADIAN NATO PARLIAMENTARY ASSOCIATION

ANNUAL SPRING SESSION, MAY 28-JUNE 1, 2004—REPORT TABLED

Hon. Jane Cordy: Honourable senators, I have the honour to table the report of the Canadian NATO Parliamentary Association concerning the delegation to the annual spring session of the NATO Parliamentary Assembly from May 28 to June 1, 2004, in Bratislava, Slovakia.

FIFTIETH ANNUAL SESSION OF NATO PARLIAMENTARY ASSEMBLY, NOVEMBER 12-16, 2004—REPORT TABLED

Hon. Jane Cordy: Honourable senators, I have the honour to table the report of the Canadian NATO Parliamentary Association concerning the delegation to the fiftieth annual session of the NATO Parliamentary Assembly from November 12 to 16, 2004, in Venice, Italy.

JOINT MEETING OF DEFENCE AND SECURITY, ECONOMICS AND SECURITY AND POLITICAL COMMITTEES, FEBRUARY 20-21, 2005—REPORT TABLED

ANNUAL ECONOMICS AND SECURITY COMMITTEE CONSULTATION WITH OECD, FEBRUARY 22, 2005—REPORT TABLED

Hon. Jane Cordy: Honourable senators, I have the honour to table the report of the Canadian NATO Parliamentary Association concerning the delegation to the joint meeting of the Defence and Security, Economics and Security and Political Committees, as well as the Annual Economics and Security Committee Consultation with the OECD from February 20 to 22, 2005, in Brussels, Belgium and Paris, France.

### THE SENATE

### NOTICE OF MOTION TO AMEND RULE 96, CLAUSE-BY-CLAUSE CONSIDERATION

Hon. Tommy Banks: Honourable senators, I give notice that, two days hence, I will move:

That the *Rules of the Senate* be amended in rule 96 by adding, in subsection (7), the following:

In particular, clause-by-clause consideration of legislation shall not be dispensed with unless with leave.

### SPEAKER'S GALLERY IN HOUSE OF COMMONS

The Hon. the Speaker pro tempore: To ensure that senators are given priority, I would like to remind honourable senators that the seats in the Speaker's Gallery of the House of Commons are primarily for the use of senators.

### TRIBUTE TO DEPARTING PAGES

The Hon. the Speaker pro tempore: Honourable senators, it is my pleasure to introduce the last three pages who will be leaving us this year.

Allison Button, from Edmonton, Alberta, has thoroughly enjoyed her experience as a Senate page. She will soon be returning to the University of Alberta to complete the last year of her degree in political science and English. After finishing her degree, Allison hopes to get into law school and will be busy preparing to write her LSAT in the fall. Allison would like to thank all honourable senators and Senate staff who have made working here such a pleasure.

Agnes Jung-Min Kim is from Vancouver, B.C. As the first ever Korean-Canadian Senate page, she is grateful to have had the unique opportunity to share her values and culture with the program. Although her time as a Senate page is ending, Agnes hopes that this is only the beginning of her exciting and ambitious journey in the Senate of Canada. She would like to thank all honourable senators and Senate employees as well as her fellow pages for putting a big smile on her face every time she came to work.

### • (1400)

### [Translation]

Davy Coyle was born in Winchester Springs, Ontario, but attended primary and secondary schools in the Franco-Ontarian region of Embrun.

### [English]

He is finishing his third year as a Senate page, and most recently this last year as Chief Page. Davy will be graduating from the University of Ottawa this June with a double major in political science and philosophy.

### [Translation]

Davy's interest in the Senate is such that he hopes to come back next year as a committee clerk.

### [English]

On behalf of the Senate pages, Davy wishes to thank all senators, parliamentary officials and staff, but most notably Terrence Christopher, Usher of the Black Rod, for his guidance and support of the Senate Page Program, and the individuals within the program over the past year.

### [Translation]

### **QUESTION PERIOD**

### **DELAYED ANSWERS TO ORAL QUESTIONS**

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour to table four delayed answers to oral questions raised in the Senate. The first is in response to an oral question raised on May 16, 2005, by Senator Kinsella concerning the Minister of Justice and a representative of the Vatican. The second is in response to an oral question raised on May 11, 2005, by Senator Johnson concerning a review of museums policy.

### [English]

The third delayed answer is in response to the Honourable Senator Michael Forrestall's question of March 22, 2005, regarding training of the Palestinian Authority security forces. The fourth delayed answer is in response to an oral question raised on March 23, 2005, by the Honourable Senator Marjory LeBreton regarding the Canada Education Savings Grant Program. The last delayed answer is in response to an oral question raised on May 12, 2005, by the Honourable Senator Donald Oliver regarding universities — application of goods and services tax to student meal plans.

### **JUSTICE**

### SAME-SEX MARRIAGE BILL—SUPPORT OF VATICAN

(Response to question raised by Hon. Noël A. Kinsella on May 16, 2005)

In January of this year the Minister of Justice had a frank and open conversation on the issue of same-sex marriage with Vatican representative Archbishop Monsignor Giovanni Lajolo, Secretary for the Relations with States.

### HERITAGE

STATE OF NATIONAL ART GALLERY—REVIEW OF MUSEUMS POLICY—REQUEST FOR UPDATE

(Response to question raised by Hon. Janis G. Johnson on May 11, 2005)

The Government of Canada is committed to the protection and promotion of cultural heritage.

Museums benefit significantly from a number of the programs renewed under the heading "Tomorrow Starts Today". For example, 40 per cent of the investment made in the first three years of the Cultural Spaces Canada program went to heritage institutions.

While the museum community has applauded the renewal of the existing programs, they have also identified new needs in terms of competing for audiences, volunteers and community support as well as increased challenges in caring for collections.

The Department of Canadian Heritage is currently working with the Canadian Museums Association and other stakeholders to develop a new policy that will address these new needs.

### PUBLIC SAFETY AND EMERGENCY PREPAREDNESS

### TRAINING OF PALESTINIAN SECURITY FORCES

(Response to question raised by Hon. J. Michael Forrestall on March 22, 2005)

Interdepartmentally, the Government of Canada is currently assessing the security sector reform needs of the Palestinians, in conjunction with other donors and the Palestinian Authority.

Over the past several months, we have dispatched several interdepartmental fact finding teams to the region to study this question.

At this point, the Government has not made any decision on whether we will contribute Canadian Forces personnel to the training of the Palestinian Authority security forces.

Similarly, no decision has been made regarding the involvement of Canadian police in the security sector.

### FINANCE

### EFFICACY OF CANADA EDUCATION SAVINGS GRANT PROGRAM

(Response to question raised by Hon. Marjory LeBreton on March 23, 2005)

- Budget 2004 indicated that RESP savings among lowand middle-income families have been relatively modest and introduced measures to deal with that concern: the creation of the Canada Learning Bond (CLB) and the enhancement of the Canada Education Savings Grant (CESG) programs.
- The CLB program is designed to kick-start education savings for children in low-income families.
  - The CLB will provide up to \$2,000 in education savings by age 16 for children (born after 2003) in families entitled to the National Child Benefit supplement. If invested in a registered education savings plan (RESP), this money could grow to \$3,000 by the time a child reaches age 18.

- The enhanced CESG program will strengthen assistance for low- and middle-income families that wish to save for their children's post-secondary education. Starting in 2005:
  - For a child of a family with income up to \$35,595, the CESG matching rate is 40 per cent on the first \$500 annual contributions to an RESP.
  - For a child of a family with income between \$35,595 and \$71,190, the CESG matching rate is 30 per cent on the first \$500 annual contributions to an RESP.
  - All other eligible RESP contributions, up to \$2,000 annually, continue to qualify for the 20 per cent matching rate.
- Bill C-5, the Canada Education Savings Act (CESA), which received Royal Assent on December 15, 2004, gives the Minister of Human Resources and Skills Development the authority to deliver these two programs.
- HRSDC is currently working with RESP promoters as they update their administrative and operational systems in order for them to deliver the CLB and enhanced CESG. While it is planned that both programs will be operational by July 2005, CLB entitlements have been accumulating since January 2004, and eligible contributions made to RESPs since January 2005 will attract the enhanced CESG.

### NATIONAL REVENUE

### UNIVERSITIES—APPLICATION OF GOODS AND SERVICES TAX TO STUDENT MEAL PLANS

(Response to question raised by Hon. Donald H. Oliver on May 12, 2005)

 Meals provided under a meal plan are exempt from GST/ HST when the plan is:

Purchased for a single amount;
For at least 10 meals a week;
For at least one month; and
The most are provided at a restourant or con-

The meals are provided at a restaurant or cafeteria on campus.

- When a plan allows for meals off campus, all meals under the plan are subject to GST/HST.
- On January 31, 2005, the Canada Revenue Agency (CRA) released a draft discussion paper for comment on the application of GST/HST to meals provided under a university or college meal plan.
- The CRA is considering the comments received and is determining the best course of action to ensure that all interested parties understand the application of GST/ HST to meals provided under a meal plan.

### ORDERS OF THE DAY

### BUSINESS OF THE SENATE

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I would like to call first Bill C-40, followed by Bill C-13, and then by Bill S-33.

### CANADA GRAIN ACT CANADA TRANSPORTATION ACT

### BILL TO AMEND—THIRD READING

Hon. Grant Mitchell moved third reading of Bill C-40, to amend the Canada Grain Act and the Canada Transportation Act.

The Hon. the Speaker pro tempore: Is the house ready for the question?

Hon. Senators: Question!

**The Hon. the Speaker** *pro tempore*: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to and bill read third time and passed.

### CRIMINAL CODE DNA IDENTIFICATION ACT NATIONAL DEFENCE ACT

### BILL TO AMEND—THIRD READING

Hon. Landon Pearson moved third reading of Bill C-13, to amend the Criminal Code, the DNA Identification Act and the National Defence Act.

The Hon. the Speaker pro tempore: Is the house ready for the question?

Hon. Senators: Question!

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to and bill read third time and passed.

### **AERONAUTICS ACT**

### BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. Jim Munson moved second reading of Bill S-33, to amend the Aeronautics Act and to make consequential amendments to other Acts.

He said: Honourable senators, I like to talk about things that begin with "S", such as the Special Olympics and SOS Children's Villages. My subject matter today starts with "S" — it is about safety.

Keeping with the theme of flying high, honourable senators, it gives me great pleasure to rise today to speak to Bill S-33, to amend the Aeronautics Act, which establishes the responsibility of the Minister of Transport for the development and regulation of civil aeronautics and the responsibility of the Minister of National Defence for military aeronautical activities. These amendments will modernize legislation and provide Transport Canada with tools to maintain and enhance safety for travellers. Modernization of the Aeronautics Act will provide greater consistency between it and other transport legislation that has recently undergone legislative overhauls.

In 2003, Canada joined the world in celebrating 100 years of powered flight. It is hard to believe that only a century ago no Canadian had ever flown an airplane, not even a senator. Today, Canada has one of the best civil aviation programs in the world, and our aviation products and services are second to none. In a country of such huge distances, it is important to remember the value of air travel to the strength of our nation. It is also important to remember safety.

Honourable senators, today I wish to recall some of the history behind the Aeronautics Act and to speak to specific aspects of the bill before us. The Aeronautics Act has been in place since 1919 and last underwent a major overhaul in the early 1980s. Many of the amendments made at that time were aimed at enhancing the compliance and enforcement provisions of the act, including the establishment of the Civil Aviation Tribunal, which later became the Transportation Appeal Tribunal of Canada. The act was further amended in 1992 to authorize the making of interim orders by the Minister of Transport and the making of agreements with provincial land use authorities for airport zoning, and to strengthen the compliance provisions of the act. Other amendments were also made to improve civil aviation security. Please note that it has been nearly 20 years since these improvements were made.

That is why, in 1998, Transport Canada announced plans to review the Aeronautics Act to reflect the current needs of the aviation community and to take into consideration current government directions. The amendments proposed in this bill are the result of extensive consultations that began in 2000 with stakeholders through the Canadian Aviation Regulation Advisory Council. Stakeholders, including all major organizations and associations, have been involved in this consultation and are generally supportive of the amendments.

The changes being considered reflect new strategies to regulate aviation safety, including new safety management provisions, the designation of industry bodies to certify certain segments of the aviation industry, voluntary non-punitive reporting programs, and a number of housekeeping amendments to clarify relationships and ministerial authorities between the Aeronautics Act and other legislation.

• (1410)

### [Translation]

Honourable senators, Canada's air transport system is one of the world's safest. As the aeronautics community represents a significant component of Canada's economy, responsibility for air safety is shared among regulatory groups, operators and manufacturers, on the ground or in the air.

[English]

Everybody knows their roles, responsibilities and accountabilities to manage safety proactively within the air transport system. To reduce further an already low rate, the amendments proposed establish a number of voluntary and non-punitive safety data-reporting programs. Transport Canada will work with stakeholders to analyze this data and make adjustments to aviation safety requirements. There will be more emphasis on managing safety from an organizational perspective, as suggested by leading experts and international bodies. The proposed amendments require aviation operators to establish integrated management systems, to include such matters as risk-management practices and internal-audit requirements.

Many of the proposed amendments relate to expanded and enhanced regulation-making authorities. The amendments would allow, for example, that regulations limit the hours of work of air traffic controllers. Amendments also allow regulations to require airport operators to carry liability insurance. A new regulatory authority in the act would enable the department to designate industry bodies to certify certain segments of the aviation industry and would set standards for that segment of the industry.

Many of the amendments being recommended relate to compliance and enforcement authorities. Penalty levels, for example, are proposed to be more consistent with those contained in the Canada Shipping Act, 2001. In addition, the act clarifies relationships and ministerial authorities between the act and other legislation, such as the Canadian Transportation Accident Investigation and Safety Board Act and the Civil Air Navigation Services Commercialization Act.

The proposed legislation will also provide the Canadian Forces Airworthiness Authority with powers and duties to investigate military aviation accidents or incidents that involve citizens. For the Canadian Forces, this is very important. They have not had this. These new powers and duties would be comparable to those exercised by the Canadian Transportation Safety Board investigators who look into civilian accidents.

Over the past number of years, civilians have become increasingly more involved in military air operations, maintenance and training. Under the current legislation, the Canadian Forces simply do not have the necessary powers to conduct flight safety investigations of military aircraft accidents that may involve civilians, civilian organizations or contractors associated with military aviation. I cannot help but emphasize the importance of this part of the amendment.

In essence, these new powers will ensure that the Department of National Defence and the Canadian Forces have all the necessary authority and power to conduct full and proper investigations into such situations, while also promoting openness, independence and integrity in military flight safety investigations.

Honourable senators, the aviation industry, like all others, is changing, and both the regulator and the regulated have to work together to keep ahead of the changes. The amendments proposed to the Aeronautics Act today are aimed at ensuring that the required tools are in place to maintain and enhance the safety of Canada's aviation system for the future.

On motion of Senator Stratton, debate adjourned.

### BANKRUPTCY AND INSOLVENCY ACT

BILL TO AMEND—SECOND READING— ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Moore, seconded by the Honourable Senator Phalen, for the second reading of Bill S-28, to amend the Bankruptcy and Insolvency Act (student loan).—(Honourable Senator Robichaud, P.C.)

Hon. Wilfred P. Moore: If no one wishes to speak to this bill, I move that the bill be referred to the Standing Senate Committee on Banking, Trade and Commerce.

The Hon. the Speaker pro tempore: Is the house ready for second reading of the bill?

Hon. Terry Stratton (Deputy Leader of the Opposition): I would ask Senator Moore if he would be patient until we come back. There are two bills on our Order Paper that seek to amend the Bankruptcy and Insolvency Act — No. 4, which is Bill S-30, and No. 8, which is Bill S-28. I want to take a look at the two, if I may, to ascertain the differences between these two bills. I should like to speak to these bills when we come back.

Senator Moore: Honourable senators, I did consult with colleagues on the other side. Senator Meighen, who was on the Banking Committee with us when we brought in that report, canvassed his colleagues. If the honourable senator wishes to wait until we return, that is acceptable to me.

The Hon. the Speaker pro tempore: It is agreed that the order stand?

Hon. Senators: Agreed.

Order stands.

### STUDY ON DEVELOPMENT AND MARKETING OF VALUE-ADDED AGRICULTURAL, AGRI-FOOD AND FOREST PRODUCTS

### REPORT OF AGRICULTURE AND FORESTRY COMMITTEE ADOPTED

On the Order:

Resuming debate on the consideration of the second report of the Standing Senate Committee on Agriculture and Forestry, entitled: *Value-added Agriculture in Canada*, tabled in the Senate on December 14, 2004.—(*Honourable Senator Rompkey, P.C.*)

Hon. Joyce Fairbairn: Honourable senators, on a day that we in the Standing Senate Committee on Agriculture and Forestry have just released our report entitled "Cattle Slaughter Capacity in Canada," I should like to put, perhaps, the final words on the record for a report that has been on the Order Paper for some time, a report on which quite remarkable speeches have been delivered by members of our committee.

The report I refer to, honourable senators, is entitled "Value-Added Agriculture in Canada." This report — with its, to some, dull-sounding name — surprised us all; it has had a notable response from producers all across this country. All of us have no doubt that farmers face constant difficulties in trying to forge a living from their land and their livestock. In recent times, they have withstood a tremendous number of painful blows. I am certainly referring to the heart-wrenching impact of the closed United States border to our cattle.

Also, Western Canada, along with other parts of Canada, has experienced a series of grave droughts. Last summer, when things were looking absolutely wonderful in Alberta and Saskatchewan, when grain was as high as an elephant's eye, we were hit with killing hailstorms. What our farmers do, they do better and with more intensive belief that there will be a better time next year than any other workers in this country.

I want to say some words about our report on value-added, because it is critical to our future in agriculture in Canada. The difficulties that we have had have been against a backdrop of transformations in agriculture. These changes span the entire scope of the sector, from the brisk expansion of multinational trade and the resulting concentration of ownership within the agri-food industry to an increasingly segmented consumer base. Furthermore, we have seen advances in technology that have led to very exciting innovations in the food and non-food uses of agricultural products.

• (1420)

In this context, many people are talking about value-added agriculture as a means for farmers to adapt and find opportunities in emerging agricultural and agri-food fields. Many farmers have been successful, but many more face regulatory obstacles for lack of information and opportunities to succeed in value-added ventures.

On December 15, 2004, the Standing Senate Committee on Agriculture and Forestry, which I am proud to currently chair, released a report on value-added agriculture in Canada. On this occasion, I would like to recognize the excellent direction, the input and the commitment of Senator Don Oliver, who served as the chair of that committee during the hearings that formed the substance of the report. I also want to thank Senator Gustafson, who was a very strong supporter of this study.

I want to talk about the findings of that report, but first let me explain what I mean by "value added." Value added is product branding. It is niche marketing. It is a movement up in the food chain. It is making pasta from wheat, wine from grapes, boxed beef, agri-tourism and organic products. In short, value added is exactly what the words suggest; it is the process of adding value to primary commodities.

In many ways, value added begins with food safety. Today, more than in any other previous period, consumers are more knowledgeable and discerning when it comes to their food purchases. This means that on-farm food safety systems and informing consumers about these systems are a first step in increasing value for the farmer and for the industry.

Trust is everything. One of the issues of the BSE crisis was that Canadians continued to regard Canadian beef as a safe and high-quality product. This was evident when the consumption of domestic beef actually increased during the months that initially followed the BSE discovery. It has continued.

I do believe, Senator Oliver, that Canada is the one country that has been besieged by this issue, yet consumers have decided that our beef is the best and are determined to hang in there and buy it and eat it.

It is absolutely critical that the government and the industry ensure that this trust is maintained. Further, we must work to ensure that people outside our borders come to hold the same high regard as we do for our food products.

The new cases of BSE that were found in Canada showed us that constant efforts will be required, not only from the Minister of Agriculture and Agri-Food, but also from all parliamentarians, to get the story out about how Canada has dealt with this issue. It was one of the reasons our committee travelled to Washington to meet with our counterparts in Congress, with people from the industry and with some of the think tanks there. It did a lot of good, and it is something we must keep on doing.

One way to add to Canada's reputation in export markets is to continue developing programs that ensure quality standards which serve to recognize production practices and procedures that are differentiated on the basis of quality and services from other products. They can help farmers tap into higher product premiums.

National quality standards help position Canadian products in global markets. Product branding can be used to highlight the distinctive taste and quality of particular food products by linking those to unique attributes of a region. A lot of that has gone on in Atlantic Canada, in the province of Nova Scotia.

However, it takes persistent marketing efforts and funds to attract made-in-Canada premium label recognition beyond our borders. There is a need for a long-term strategy and increased federal funding in that area.

Another key aspect of value added in agriculture is organic products, a sector which has shown remarkable growth in recent years. These products appeal to an increasing number of consumers who are concerned about the environment, food safety and nutrition, and agricultural production systems. Organic agriculture expands the scope of business opportunities available to farmers. Consumers' willingness to pay a higher premium for organic products creates valuable returns for the farmer despite the increased cost and lower yields associated with organic farming.

While the consumption of organic products has been visibly increasing in Canada, the growth in certified organic farms has flattened in recent years. This is a cause for concern, since Canada is one of the countries best suited to organic farming in the world due to its fertile and varied land base and cooler climate.

Canada's lack of national regulations specific to the labelling of organic products may be contributing to that slow growth in the organic farms. Granted, a national standard for our organic agriculture is in place, but the system is voluntary, which means that it is not mandatory for a product to be certified before it can be sold as an organic product. This creates problems for our exporters.

Furthermore, trade in organic products may be interrupted if Canada does not adopt national regulations. The committee recommended that such regulations be put in place no later than the end of this year, 2005.

During the committee proceedings, I was pleased to hear examples of farmers working together and forming what are called new generation cooperatives in efforts to move up the value chain. These cooperatives give farmers a larger stake in the processing of farm commodities. Membership in the cooperatives usually comes with a contractual right and obligation to deliver farm input at a contracted price. These cooperatives help bridge the expertise and the high level of capital needed for transition in the processing of food products.

The committee recommends that the federal government investigate options such as loan guarantees and other measures that would increase access to capital for farmers who are considering the purchase of shares in these new generation cooperatives.

Of course, not all farmers choose cooperatives. Some instead have alliances with large processing corporations as a means to spread the risk and generate value-added benefits. The committee supports all types of viable financial arrangements that serve to reduce the risk and increase income stability for farmers.

One area in which Canada has great potential to excel is in agricultural research. This is a key driver in value-added agriculture. The emergence of new commodities and new applications of existing commodities are made possible through our excellent and world-regarded research in this country. It is at the forefront of efforts to initiate new crops or livestock systems, and it can exist in environmental health and safety fields.

• (1430)

Canada's well-educated work force, significant research and technological facilities, food distribution infrastructure, respected safety and quality enforcement and regulatory systems, and its competent public sector and stable economy have put this country in an excellent position to develop competitive advantages in the agricultural value-added sector. It is therefore important that Canada pursue international trade negotiation strategies that aim at reducing higher tariffs on our processed products. It is also important to facilitate trade within Canada and to ensure that producers and processors have fair access throughout the domestic market. This committee supported funding in areas specific to the public interest, such as food safety and the environment. The committee also supported the fostering of an environment that attracts both domestic and foreign private investment in research and development.

Finally, honourable senators, value added on the farm is born out of a necessity to adapt to a changing environment. It is a way to rejuvenate primary agricultural sectors and provide a means of adapting to the various forces that affect agriculture. The strong social and economic importance of farming activities within the rural communities across this country increases the significance of value-added agricultural initiatives, because the benefit will spill out far beyond the farm. Those benefits are substantial and far reaching. Value-added agriculture can help to increase employment and revitalize those communities, reduce the economic risk associated with trade, diversify the economic base of rural communities, increase the financial stability of farmers, promote a culture of research and innovation, reduce dependency on the world price of commodities and, perhaps most important, offer a way to attract and retain a new generation of farmers. Value added is, in the truest sense, the future of farming in Canada.

Honourable senators, we are proud of this report. It has been widely accepted across the country. It is just a report, though. It must be followed up on, and, as a committee, we will continue to keep our eye on this issue. We will continue to give both the industry and the government a good push, because that is the way ahead for our agricultural community.

Hon. Senators: Hear, hear!

Senator Fairbairn: Honourable senators, if there are no further speakers, I should like to move the adoption of this report.

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to and report adopted.

### PROVINCE OF ALBERTA

### INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Mitchell calling the attention of the Senate to the Province of Alberta and the role it plays in Canada. —(Honourable Senator Prud'homme, P.C.)

Hon. Marcel Prud'homme: Honourable senators, I am passionate about the Quebec-Alberta relationship. Those provinces have so much in common and so much to learn from each other. However, having just said goodbye to a delegation from Saudi Arabia, I am not in the mood to make a passionate speech of my understanding, as a French Canadian from Quebec, of what Alberta is all about. Therefore, with your permission, I would like to adjourn the debate while retaining the remainder of my speaking time.

On motion of Senator Prud'homme, debate adjourned.

### INTER-PARLIAMENTARY UNION

INOUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Fraser calling the attention of the Senate to the work of the IPU.—(Honourable Senator Prud'homme, P.C.)

Hon. Marcel Prud'homme: Honourable senators, although I have not actually been excluded from the executive of the IPU, I have not been included, because they changed the rules and I no longer exist. Senator Kinsella wants me to take his place, but the executive refuses that. They have not met since the election, and there is still a vacant spot on the IPU, that being the former position of Senator Kinsella. I will include that matter in my speech, when I make it.

I still think the IPU is an unbelievable association. They had a successful meeting this morning, although only four of the 19 executive members attended, and I attended as an intruder. There was a successful, frank and courteous exchange.

Honourable senators do not want to hear a passionate speech on the IPU, which is the pearl of my life. Therefore, I ask that this matter be adjourned.

On motion of Senator Prud'homme, debate adjourned.

[Translation]

### INFLUENCE OF CULTURE

### INQUIRY—DEBATED ADJOURNED

Hon. Viola Léger, rose pursuant to notice of Monday, May 16, 2005:

That she will call the attention of the Senate to the importance of artistic creation to a nation's vitality and the priority the federal government should give to culture, as defined by UNESCO, in its departments and other agencies under its authority.

She said: Honourable senators, during my term in the Senate, I have stood before you as an artist and as a woman who feels very strongly about promoting culture. I share this status of an artist and this passion for culture with a number of you, honourable senators, whether you are actual artists or devoted lovers of the arts.

I rise today to speak about something I have addressed in the past. This is another opportunity for me to underline the importance of artistic creation to a nation's vitality, and also to emphasize the importance that the Senate and federal institutions should accord to culture. Works of art bring people closer together and stimulate dialogue. The arts play an indispensable role in our mutual understanding.

Artistic creation awakens our consciousness. It is a source of meditation, inspiration, reflection and comfort. The arts help balance us, awaken our souls, and allow us to breathe, to live.

• (1440)

We cannot live without beauty, without laughter and tears. The arts define us, and above all, help us understand who we are as Canadians and what our society is all about.

[English]

The role of artists is not merely to reflect the values of their society but to ponder the issues that society must examine in order to better understand itself. These same artists present us to the world and help project our country's image internationally. We have Céline Dion at centre stage in Las Vegas and Cirque du Soleil captivating Parisians, and Stephen Low transports audiences around the world with IMAX films. Canadian musicians Paul Anka, the Tragically Hip and Avril Lavigne and filmmaker Denys Arcand criss-cross the globe. I was especially impressed by our Governor General, Her Excellency the Right Honourable Adrienne Clarkson, who invited artists to accompany her on her trip to the northern circumpolar countries. The arts are a necessary ingredient in promoting a modern image of Canada around the world. This task is not up to artists alone but also to government bodies.

Honourable senators, I should like very much for us to examine more carefully the various facets of artistic creation, in order to support the artistic process, create favourable conditions for artists to do their work and increase the general public's access to their works.

The arts boost our economic performance. In addressing the Canadian Club of Toronto recently, the Minister of Canadian Heritage, the Honourable Liza Frulla, reminded us that Canada's culture sector accounts for 600,000 jobs and close to \$40 billion in the economy. It is quite natural for culture to be closely linked with the creation, production, distribution and consumption of artistic products. The creative efforts made by talented Canadians in theatre, culture, music, painting, literature, dance or digital art are an integral part of culture. The important role this industry plays is not merely to satisfy consumers' needs. Entertainment is not the primary purpose of these works of art.

I am delighted the current Minister of Canadian Heritage, herself a woman of arts, has a deep sensitivity to culture. I am pleased that she has stabilized funding for the arts and culture. I wish her success in tackling the tremendous challenge of gaining recognition for the vital role culture plays.

### [Translation]

Yes, art expresses the individual's soul, but culture expresses the soul of the people. Art and culture are two concentric realities. If art represents hope for humanity, culture is the vehicle for that hope. Culture goes beyond artistic production alone. Culture is the soul of a nation because it reflects how its people think and behave. Culture is the sum of the traditions, beliefs, values, knowledge, experience, customs and institutions that characterize a specific group of people. My idea of culture is consistent with the definition UNESCO adopted at the World Conference on Cultural Policies, held in Mexico in 1982. The UNESCO definition reads as follows, and I quote:

Culture may now be said to be the whole complex of distinctive spiritual, material, intellectual and emotional features that characterize a society or social group. It includes not only the arts and letters, but also modes of life, value systems, traditions and beliefs.

Canadian culture is the product of the mixing of different cultures and traditions, one as rich as the other. Our distinctive features are enriched by the contribution of Aboriginal cultures and other cultural customs that have gradually been added. Our way is life is western, North American, but at the same time Aboriginal, Ukrainian, Pakistani, Senegalese, Acadian, Irish, etc. Our spirituality has multiple expressions. Buddhism, Hinduism, Catholicism and Islam stand harmoniously with other religions.

We are a Nordic country with extreme cold and many seasons. Our intellectual life draws on the tremendous synergy of the men and women who have come from all continents. Men and women who, through their contributions, play a role in building the great community we call Canada. We are not homogeneous. We are diversity itself, and we stand united in our attachment to our values, which are an important dimension of our culture.

### [English]

As a nation, we cherish tolerance, equity, democracy, freedom, respect for human rights and responsibility. Respect for others and respect for our environment are sacred principles in Canada. The equitable redistribution of wealth is important to us. The

values and principles at the heart of Canadian identity are the integrating forces of our society and the glue that holds our nation together.

The challenge of protecting our culture and promoting our shared identity should not rest entirely on the shoulders of Canadian Heritage, the Canada Council for the Arts, the National Film Board, the Canadian Broadcasting Corporation and our other cultural institutions. Each federal department and Crown corporation should contribute to this mission of expressing and asserting our identity. It is in our interests for all government institutions to consider our culture as an essential piece of our mosaic. John Ralston Saul was right when he stated — and I quote:

Only Canadian culture can express the uniqueness of our country, which is bilingual, multicultural, and deeply influenced by its Aboriginal roots, the North, the oceans, and its own immensity.

During my four years in the Senate, I have noted that this has not been sufficiently reflected in the official discourse.

### [Translation]

In his recent essay, *Quel cirque! Ma théorie générale de la réalité*, Jean David launches a harsh attack on the education system, political parties and the media. He bases this criticism on his observation that:

These three spheres are devoid of creativity and citizens no longer identify with them.

I will leave it to the press and educators to criticize their own work. As to politicians, it is up to you, honourable senators, to rediscover creativity as Jean David has challenged you to undertake.

### [English]

My speech today could be my last in this chamber.

### • (1450)

### Some Hon. Senators: No. no!

Senator Léger: My hope in entering the Senate was that the cultural dimension would be given greater consideration in our review of programs and policies. As I leave this chamber, I hope to see a new Senate committee on cultural affairs created.

### Some Hon. Senators: Hear, hear!

Senator Léger: Such a committee would have the mandate to carefully examine the various facets of artistic creation in order to find a way to support artists. Such a committee would ensure that our laws help strengthen our Canadian identity, bring the various components of Canadian culture closer together and stress the values and underlying principles we agree on.

I will venture even further in my suggestions. The culture portfolio could be taken out of Canadian Heritage and assigned to a new department that would be responsible for all facets of Canadian culture. This federal department of culture would be responsible for developing and implementing a national plan for culture. I consider it essential that all policies and programs that support culture in Canada be brought together under a true cultural policy. This department would thus have an overview of the expenditures on culture made by the 30 or so federal cultural departments and agencies. It is not a question of meddling, but rather of efficiency.

### [Translation]

My experience in the Senate has been tremendously rewarding. I have learned a great deal from you, my honourable fellow senators. I leave this institution with a better understanding of and an even stronger attachment to Canada. I am grateful for what I have learned about our vast, complex and beautiful country through your discussions. It is a country where all the constituent parts are equally important. Thank you for helping me love it even more. As Senator Laurier LaPierre said, "Long live Canada!"

I cannot leave without reading something that might help you explore creativity in politics. It is the international message by Ariane Mnouchkine, the great director of the Théâtre du Soleil, in Paris.

### Help!

Theatre, come to my rescue!

I am asleep. Wake me

I am lost in the dark, guide me, at least towards a candle

I am lazy, shame me

I am tired, raise me up

I am indifferent, strike me

I remain indifferent, beat me up

I am afraid, encourage me

I am ignorant, teach me

I am monstrous, make me human

I am pretentious, make me die of laughter

I am foolish, transform me

I am dominating and cruel, fight against me

I am pedantic, make fun of me

I am vulgar, elevate me

I no longer dream, call me a coward or a fool

I have forgotten, throw Memory in my face

I feel old and stale, make the Child in me leap up

I am heavy, give me Music

I am sad, bring me Joy

I am agitated, let Wisdom rise within me

I am weak, kindle Friendship

I am blind, summon all the Lights

I am dominated by Ugliness, bring in conquering Beauty

I have been recruited by Hatred, unleash all the forces of Love.

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I should like to move that the debate be adjourned. I wonder if any other honourable senator wishes to speak to this inquiry. A vote will be taken in the other place this afternoon. I

believe this kind of farewell speech to be somewhat premature, and I am a bit perplexed because, on the one hand, I would like to wrap things up this evening but, on the other hand, I would like to have the opportunity to hear more fine words spoken about our colleague the Honourable Senator Léger.

Senator Léger: Honourable senators, I had an inquiry on culture, and I hope that someone will pick up from where I left off. As far as farewell speeches are concerned, there is no need to worry. We are all aware of what is going on in the other place, so I thought I would make my speech today just in case it was my last chance to do so. Mind you, that may not be the case!

Hon. Marcel Prud'homme: Has Senator Kinsella moved to adjourn the debate?

Hon. Senators: Yes.

Senator Prud'homme: Honourable senators, Senator Léger's words have evoked in me some wonderful memories of my days as the arts critic in the other place. At that time, I gave two 40-minute speeches on the importance of culture. So my speech is ready to go and I would have a lot to add. If Senator Kinsella is moving adjournment, then I will have an opportunity to take part in the debate.

[English]

Hon. Tommy Banks: Honourable senators, it is most appropriate that Senator Kinsella should take the adjournment of this debate when it comes, because there is no more cultured person here than he.

However, I know, Senator Léger, that I am speaking with great confidence for all honourable senators to say that it is we who learned from you rather than the other way around. Every time you spoke in this place, you brought a new view of things to us, even those of us who have the honour to have dabbled, at least on the fringes, in creative art, at which you have been at the centre and of which you are a wonderful example. I know we all hope the speech you just made will not be your last one here, but I also know, particularly because the Leader of the Opposition will take adjournment of this debate, that the flame that you have lit will continue. I hope we will respond to your challenge in this place by rising, at least in some degree, to the very high bar you have set, both in your professional life and here, and in the remarks you have just made, for which we are all very grateful.

(1500)

Hon. Jim Munson: Honourable senators, I never thought I would rise for a few moments only to talk about the Honourable Senator Léger. I know this is not goodbye, because in New Brunswick it is never goodbye. I am an English New Brunswicker who is most fortunate to have married an Acadian Brunswicker, Ginette Hébert, from Northern New Brunswick.

Senator Léger, what both you and my wife have taught me is that in the province of New Brunswick we have something special, something I wish the rest of the country could see, in terms of love, languages and acceptance. A moment ago, you moved me to tears; it is wonderful to sit in the Senate and hear your words.

Unfortunately, time seems to go by so quickly. Just 18 months ago, sitting in front of you was Senator Thelma Chalifoux, from whom I learned so much in only a month and a half. From Senator Morin, I learned much in 12 months, and I keep learning from you. Having spent this time with you in the Senate, and looking forward to seeing you in the province of New Brunswick, I am reminded of how fortunate I am to have shared these moments with a person such as you. I hope to continue to share them with the Acadians of New Brunswick, which is truly a special place.

On motion of Senator Kinsella, debate adjourned.

### LEGAL AND CONSTITUTIONAL AFFAIRS

COMMITTEE AUTHORIZED TO STUDY CRIMINAL CODE AS IT RELATES TO ISSUES OF MENTAL HEALTH

Hon. Bill Rompkey (Deputy Leader of the Government), for Senator Bacon, pursuant to notice of May 16, 2005, moved:

That the Standing Senate Committee on Legal and Constitutional Affairs be authorized to invite, when appropriate, the Minister of Justice and Attorney General for Canada, the Minister of Health, their officials, as well as other witnesses to appear before the committee for the purpose of examining the provisions of the *Criminal Code* related to mental disorder, and in particular to consider the increasing use of the criminal justice system to address issues of mental health; and

That the committee continue to monitor developments on the subject and submit a final report to the Senate no later than May 19, 2006.

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I should like the record to show that this side supports the motion. It may be of some help to members of the Legal and Constitutional Affairs Committee to know that the Standing Senate Committee on Social Affairs, Science and Technology is doing an in-depth study of mental health and mental illness. Several issues might have been canvassed already by senators on that committee. It is my hope that the researchers and honourable senators on the two committees will learn from one another, should there be a convergence of the work from the two studies.

The Hon. the Speaker pro tempore: Are honourable senators ready for the question?

Hon. Senators: Question!

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.

### **BUSINESS OF THE SENATE**

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, we are finished the items on our Order Paper. Royal Assent will take place at 4 p.m. today.

The House of Commons is still sitting. Bill S-25, to amend the act of incorporation of The General Synod of the Anglican Church of Canada, is before members. There is all-party support

to pass the bill today, but the House has not reached that item on the Order Paper yet. Senators may recall that I sponsored the bill, supported by Senator Meighen. It is our wish that Bill S-25 be included in Royal Assent today, if possible.

Hence, I would suggest that the Senate do now adjourn during pleasure, at the call of the chair, and return when the House of Commons has reported the adoption of Bill S-25. In that way, the bill could receive Royal Assent today, and the house could return to Business of the Senate briefly, for the reading of the documents.

I move that the Senate do now adjourn during pleasure to reassemble at the call of the chair.

Hon. Noël A. Kinsella (Leader of the Opposition): This side agrees. A 10- or 15-minute bell would be appreciated by senators.

Senator Rompkey: A 15-minute bell would be fine.

The Hon. the Speaker pro tempore: Honourable senators, is it your pleasure to adopt the motion?

[Translation]

Hon. Marcel Prud'homme: Honourable senators, if by chance the House of Commons has not yet passed this bill, but luck is on your side in tonight's vote, the bill will certainly be passed eventually. Since the bells will start ringing in the House of Commons at 5:30 p.m., they will not be in a position to pass the bill. Can you confirm that we will be called back before 5:30 p.m., and not after?

[English]

Senator Rompkey: Honourable senators, I hope the House of Commons will get to Bill S-25 on its Order Paper. If it does not, Royal Assent will proceed as planned at four o'clock today for other bills. I ask only for an opportunity to see whether the House of Commons proceeds to Bill S-25 on its Order Paper today, so that, if so, the bill can receive Royal Assent this afternoon.

Motion agreed to.

The Senate adjourned during pleasure.

• (1530)

The sitting of the Senate was resumed.

### GENERAL SYNOD OF THE ANGLICAN CHURCH OF CANADA

PRIVATE BILL TO AMEND ACT OF INCORPORATION—MESSAGE FROM COMMONS

The Hon. the Speaker pro tempore informed the Senate that a message had been received from the House of Commons returning Bill S-25, to amend the act of incorporation of The General Synod of the Anglican Church of Canada, and acquainting the Senate that they had passed this bill without amendment.

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, we find ourselves in the same position. I move, with leave, that the Senate do now adjourn at pleasure to reassemble at the call of the chair. If it is agreed, we can have another 15-minute bell.

The Hon. the Speaker pro tempore: Is it agreed, honourable senators?

Hon. Senators: Agreed.

The Hon. the Speaker pro tempore: I do now leave the chair.

The Senate adjourned during pleasure.

• (1630)

[Translation]

The sitting of the Senate was resumed.

### ROYAL ASSENT

The Hon. the Speaker pro tempore informed the Senate that the following communication had been received:

### RIDEAU HALL

May 19, 2005

Mr. Speaker,

I have the honour to inform you that the Honourable Morris Fish, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy of the Governor General, signified Royal Assent by written declaration to the bills listed in the Schedule to this letter on the 19th day of May, 2005, at 4:05 p.m.

Yours sincerely,

Barbara Uteck Secretary to the Governor General

The Honourable
The Speaker of the Senate
Ottawa

Bills assented to Thursday, May 19, 2005:

An Act to amend the Criminal Code (mental disorder) and to make consequential amendments to other Acts (Bill C-10, Chapter 22, 2005)

An Act to amend the Migratory Birds Convention Act, 1994, and the Canadian Environmental Protection Act, 1999 (Bill C-15, Chapter 23, 2005)

An Act to amend the Canada Grain Act and the Canada Transportation Act (Bill C-40, Chapter 24, 2005)

An Act to amend the Criminal Code, the DNA Identification Act and the National Defence Act (Bill C-13, Chapter 25, 2005)

An Act to amend the Act of incorporation of The General Synod of the Anglican Church of Canada (Bill S-25)

[English]

### **ADJOURNMENT**

Leave having been given to revert to Government Notices of Motions:

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That when the Senate adjourns today, it do stand adjourned until Tuesday, May 31, 2005, at 2:00 p.m.

**The Hon. the Speaker** *pro tempore*: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

The Senate adjourned until Tuesday, May 31, 2005 at 2 p.m.

# THE SENATE OF CANADA PROGRESS OF LEGISLATION

(indicates the status of a bill by showing the date on which each stage has been completed)

# (1st Session, 38th Parliament)

# Thursday, May 19, 2005

(\*Where royal assent is signified by written declaration, the Act is deemed to be assented to on the day on which the two Houses of Parliament have been notified of the declaration.)

## GOVERNMENT BILLS

### (SENATE)

	Tito	<b>√</b> 8t	buc	Committee	Report	Amend	3rd		Δ Δ
	A second Act to harmonize federal law with the civil law of the Province of Quebec and to amend certain Acts in order to ensure that each language version takes into account the common law and the civil law	04	04/10/26	Legal and Constitutional Affairs	04/11/25	observations	04/12/02	04/	04/12/15
	An Act to implement an agreement, conventions and protocols concluded between Canada and Gabon, Ireland, Armenia, Oman and Azerbaijan for the avoidance of double taxation and the prevention of fiscal evasion	04/10/28	04/11/17	Banking, Trade and Commerce	04/11/25	0	04/12/08	02/0	05/03/23*
	An Act to amend the Statistics Act	04/11/02	05/02/02	Social Affairs, Science and 05/03/07 Technology	05/03/07	0	05/04/20		
S-31	An Act to authorize the construction and maintenance of a bridge over the St. Lawrence River and a bridge over the Beauharnois Canal for the purpose of completing Highway 30	05/05/12							
	An Act to amend the Aeronautics Act and to make consequential amendments to other Acts	05/05/16							
S-36	An Act to amend the Export and Import of Rough Diamonds Act	05/05/19							
	An Act to amend the Criminal Code and the Cultural Property Export and Import Act	05/05/19							

## GOVERNMENT BILLS (HOUSE OF COMMONS)

	Chap.	
	3rd R.A.	
	Report Amend	
	Report	
(Chicalina to Toolia)	Committee	Transport and Communications
2000	2 <sup>nd</sup>	05/04/14
	1st	05/03/21 05/04/14
	Ē	Bill, C-3, An Act to amend the Canada Shipping Act, the Canada Shipping Act, 2001, the Canada National Marine Conservation Areas Act and the Oceans Act
	No.	53

No.	Title	1st	2 <sup>nd</sup>	Committee	Report	Amend	3rd	R.A.	Chap.
4	An Act to implement the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment	04/11/16	04/12/09	Transport and Communications	05/02/15	0	05/02/22	05/02/24*	3/05
C-5	An Act to provide financial assistance for post-secondary education savings	04/12/07	04/12/08	Banking, Trade and Commerce	04/12/09	0 observations	04/12/13	04/12/15	26/04
9-0	An Act to establish the Department of Public Safety and Emergency Preparedness and to amend or repeal certain Acts	04/11/18	04/12/07	National Security and Defence	05/02/22	0	05/03/21	05/03/23*	10/05
C-7	An Act to amend the Department of Canadian Heritage Act and the Parks Canada Agency Act and to make related amendments to other Acts	04/11/30	04/12/09	Energy, the Environment and Natural Resources	05/02/10	0	05/02/16	05/02/24*	2/05
8-0	An Act to amend the Financial Administration Act, the Canada School of Public Service Act and the Official Languages Act	05/03/07	05/03/21	National Finance	05/04/14	0	05/04/19	05/04/21*	15/05
C-10	An Act to amend the Criminal Code (mental disorder) and to make consequential amendments to other Acts	05/02/08	05/02/22	Legal and Constitutional Affairs	05/05/12	0 observations	05/05/16	05/05/19*	22/05
C-12	An Act to prevent the introduction and spread of communicable diseases	05/02/10	02/03/09	Social Affairs, Science and Technology	05/04/12	2	05/04/14	05/05/13*	20/05
C-13	An Act to amend the Criminal Code, the DNA Identification Act and the National Defence Act	05/05/12	05/05/16	Legal and Constitutional Affairs	05/05/18	0	05/05/19	05/05/19*	25/05
C-14	An Act to give effect to a land claims and self-government agreement among the Tlicho, the Government of the Northwest Teritories and the Government of Canada, to make related amendments to the Mackenzie Valley Resource Management Act and to make consequential amendments to other Acts	04/12/07	04/12/13	Aboriginal Peoples	05/02/10	0	05/02/10	05/02/15*	1/05
C-15	An Act to amend the Migratory Birds Convention Act, 1994 and the Canadian Environmental Protection Act, 1999	04/12/14	05/02/02	Energy, the Environment and Natural Resources	05/05/17	0 observations	05/05/18	05/05/19*	23/05
C-18	An Act to amend the Telefilm Canada Act and another Act	04/12/13	05/02/23	Transport and Communications	05/03/22	0 observations	05/03/23	05/03/23*	14/05
C-20	An Act to provide for real property taxation powers of first nations, to create a First Nations Tax Commission, First Nations Financial Management Board, First Nations Finance Authority and First Nations Statistical Institute and to make consequential amendments to other Acts	04/12/13	05/02/16	Aboriginal Peoples	05/03/10	0	05/03/21	05/03/23*	9/02
C-24	An Act to amend the Federal-Provincial Fiscal Arrangements Act and to make consequential amendments to other Acts (fiscal equalization payments to the provinces and funding to the territories)	05/02/16	05/02/22	National Finance	05/03/08	0	02/03/09	05/03/10*	7/05

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An Act to amend the Parlament of Canada 05/04/13 05/04/14 National Finance 05/04/21 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0		05/02/15	05/03/07	Banking, Trade and Commerce	05/04/12	2	05/04/14	05/05/05*	18/05
An Act for granting between the public service of Canada from the Provisions of the public service of Canada from the Provisions of the public service of Canada from the Provisions of the public service of Canada from the financial year ending March 31, 2005 (Appropriation Act No. 2, 2004/2/103)  An Act for granting to Her Malesky certain of 4/12/13 04/12/14 — — — — — — — — — — — — — — — — — — —	0	An Act to amend the Parliament of Canada Act and the Salaries Act and to make consequential amendments to other Acts	05/04/13	05/04/14	National Finance	05/04/21	0	05/04/21	05/04/21*	16/05
An Act for granting to Her Majesty certain 04/12/13 04/12/14 ————————————————————————————————————	m	A second Act to implement certain provisions of the budget tabled in Parliament on March 23, 2004	05/03/07	05/04/20	National Finance	05/05/03	0	05/05/10	05/05/13*	19/05
An Act for granting to Her Majesty certain 04/12/13 04/12/14 — — — — — — — — — — — — — — — — — — —	art.	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 2, 2004-2005)	04/12/13	04/12/14	I	1		04/12/15	04/12/15	27/04
An Act to change the boundaries of the 04/12/13 05/02/01 Legal and Constitutional 05/02/22 0 05/03/08 Social Affairs, Science and 05/03/10 0 observations districts  An Act to amend the Federal-Provincial 05/02/22 05/03/08 Social Affairs, Science and 05/03/10 0 or lessed and the readeral-Provincial 05/02/22 05/03/08 Social Affairs, Science and 05/03/10 0 or lessed and the readeral equipment of funding for diagnostic and medical equipment  An Act to amend the Federal-Provincial 05/03/12 05/05/16 Agriculture and Forestry 05/05/18 0 or hand Act to granting to Her Majesty certain 05/03/22 05/03/23 ———————————————————————————————————	10	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 3, 2004-2005)	04/12/13	04/12/14	I	1	I	04/12/15	04/12/15	28/04
An Act to amend the Federal-Provincial Psical Arrangements Act and to enact An Act respecting the provision of funding for diagnostic and medical equipment  An Act for amend the Canada Grain Act and O5/05/12 05/05/16 Agriculture and Forestry 05/05/18 0  An Act for granting to Her Majesty certain o5/03/22 05/03/23 ———————————————————————————————————	10	An Act to change the boundaries of the Acadie—Bathurst and Miramichi electoral districts	04/12/13	05/02/01	Legal and Constitutional Affairs	05/02/22	0 observations	05/02/23	05/02/24*	9/09
An Act to amend the Canada Grain Act and 05/05/12 05/05/16 Agriculture and Forestry 05/05/18 0  An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 4, 2004-2005)  An Act for granting to Her Majesty certain 05/03/22 05/03/23 — — — — — — — — — — — — — — — — — — —		An Act to amend the Federal-Provincial Fiscal Arrangements Act and to enact An Act respecting the provision of funding for diagnostic and medical equipment	05/02/22	05/03/08	Social Affairs, Science and Technology	05/03/10	0	05/03/22	05/03/23*	11/05
An Act for granting to Her Majesty certain 05/03/22 05/03/23 — — — — Sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 4, 2004-2005)  An Act for granting to Her Majesty certain 05/03/22 05/03/23 — — — — — — — — — — — — — — — — — — —	1 -	An Act to amend the Canada Grain Act and the Canada Transportation Act	05/05/12	05/05/16	Agriculture and Forestry	05/05/18	0	05/05/19	05/05/19*	24/05
An Act for granting to Her Majesty certain 05/03/22 05/03/23 — — — — Sums of money for the public service of Canada for the financial year ending March 31, 2006 (Appropriation Act No. 1, 2005-2006)  An Act to provide services, assistance and 05/05/10 05/05/10 National Finance 05/05/12 0 Forces members and veterans and to make amendments to certain Acts		An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 4, 2004-2005)	05/03/22	05/03/23	1			05/03/23	05/03/23*	12/05
An Act to provide services, assistance and 05/05/10 05/05/10 National Finance 05/05/12 0 compensation to or in respect of Canadian Forces members and veterans and to make amendments to certain Acts		An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2006 (Appropriation Act No. I, 2005-2006)	05/03/22	05/03/23				05/03/23	05/03/23*	13/05
		An Act to provide services, assistance and compensation to or in respect of Canadian Forces members and veterans and to make amendments to certain Acts	05/05/10	05/05/10	National Finance	05/05/12	. 0	05/05/12	05/05/13*	21/05

0.	Title	1st	2nd	Committee	Report	Amend	3rd	R.A.	Chap.
302	C-302 An Act to change the name of the electoral district of Kitchener—Wilmot—Wellesley—Woolwich	04/12/02	04/12/07	04/12/02 04/12/07 Legal and Constitutional 05/02/17 Affairs	05/02/17	0 observations	05/02/22	05/02/22 05/02/24*	4/05
304	C-304 An Act to change the name of the electoral district of Battle River	04/12/02 0	04/12/07	04/12/07 Legal and Constitutional 05/02/17 0	05/02/17	0 observations		05/02/22 05/02/24*	2/02

## SENATE PUBLIC BILLS

No	Title	48t	2nd	Committee	Report	Amend	3rd	R.A.	Chap.
S-2	An Act to amend the Citizenship Act (Sen. Kinsella)	04/10/06	04/10/20	Social Affairs, Science and Technology	04/10/28	0	04/11/02	05/05/05*	17/05
S-3	An Act to amend the Official Languages Act (promotion of English and French) (Sen. Gauthier)	04/10/06	04/10/07	Official Languages	04/10/21	0	04/10/26		
S-4	An Act to amend the Marriage (Prohibited Degrees) Act and the Interpretation Act in order to affirm the meaning of marriage (Sen. Cools)	04/10/06	Dropped from Order Paper pursuant to Rule 27(3) 05/02/22						
ري- دي-	An Act to repeal legislation that has not come into force within ten years of receiving royal assent (Sen. Banks)	04/10/07	04/10/26	Transport and Communications (withdrawn) 04/10/28 Legal and Constitutional Affairs					
S-6	An Act to amend the Canada Transportation Act (running rights for carriage of grain) (Sen. Banks)	04/10/07							
5-7	An Act to amend the Supreme Court Act (references by Governor in Council) (Sen. Cools)	04/10/07	Dropped from Order Paper pursuant to Rule 27(3) 05/02/22						
လှ	An Act to amend the Judges Act (Sen. Cools)	04/10/07							
S-9	An Act to amend the Copyright Act (Sen. Day)	04/10/07	04/10/20	Social Affairs, Science and Technology					
S-11	An Act to amend the Criminal Code (lottery schemes) (Sen. Lapointe)	04/10/19	04/10/26	Legal and Constitutional Affairs	05/04/12	2 observations	05/05/17		
S-12	An Act concerning personal watercraft in navigable waters (Sen. Spivak)	04/10/19							
S-13	An Act to amend the Constitution Act, 1867 and the Parliament of Canada Act (Speakership of the Senate) (Sen. Oliver)	04/10/19	04/11/17	Legal and Constitutional Affairs					
S-14	An Act to protect heritage lighthouses (Sen. Forrestall)	04/10/20	04/11/02	Social Affairs, Science and Technology	05/03/21	0	05/03/23		
S-15	An Act to prevent unsolicited messages on the Internet (Sen. Oliver)	04/10/20		Subject-matter 05/02/10 Transport and Communications					
S-16	An Act providing for the Crown's recognition of self-governing First Nations of Canada (Sen. St. Germain, P.C.)	04/10/27		Subject-matter 05/02/22 Aboriginal Peoples					,

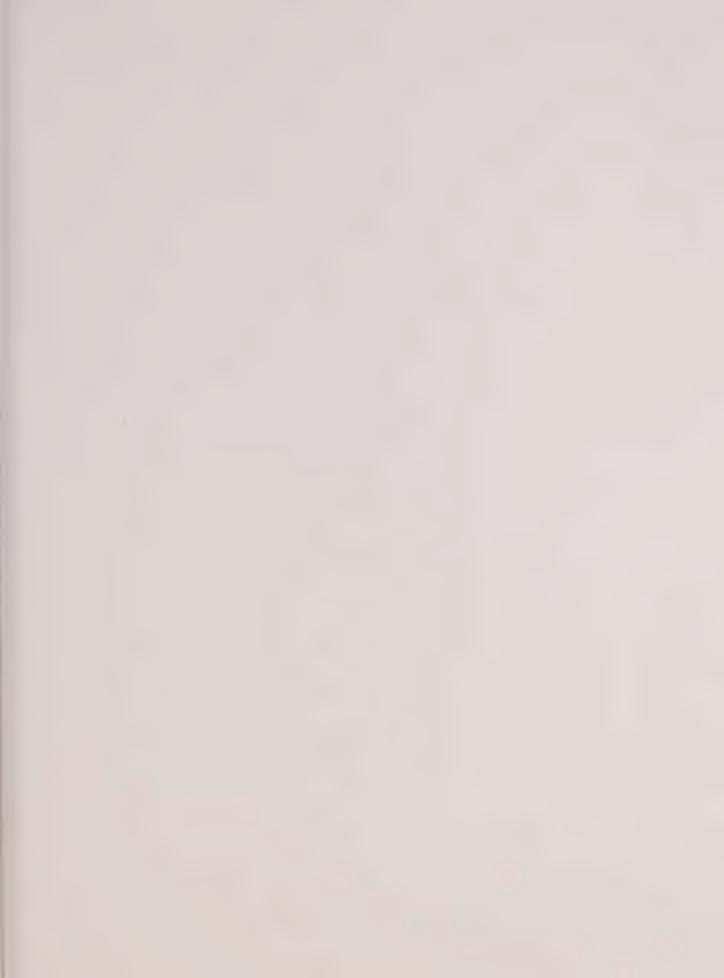
Chap.				,											Chap.		1
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3.5															3rd	05/05/10	
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Committee	Banking, Trade and Commerce	Subject-matter 05/02/02 Legal and Constitutional Affairs	Legal and Constitutional Affairs			Legal and Constitutional Affairs								PRIVATE BILLS	Committee	Banking, Trade and Commerce	Legal and Constitutional
2,,,,	04/12/07		05/03/10			05/03/10								Ь	2nd	05/03/23	05/04/19
Ó	04/11/04	04/11/30	04/12/02	04/12/09	05/02/01	05/02/03	05/02/16	05/03/23	02/02/02	05/05/10	05/05/12	05/05/16	05/05/18		1st	05/02/10	05/02/17
lifle	An Act to amend the Criminal odde (criminal interest rate) (Sen. Plamondon)	An Act to provide for increased transparency and objectivity in the selection of suitable individuals to be named to certain high public positions (Sen. Stratton)	An Act to amend the criminal Code (protection of children) (Sen. Hervieux-Payette, P.C.)	An Act to amend the Canada Elections Act (mandatory voting) (Sen. Harb)	An Act to amend the Royal Canadian Mounted Police Act (modernization of employment and labour relations) (Sen. Nolin)	An Act to amend the Criminal Code (cruelty to animals) (Sen. Bryden)	An Act to provide for a national cancer strategy (Sen. Forrestall)	An Act to amend the Bankruptcy and Insolvency Act (student loan) (Sen. Moore)	An Act respecting a National Blood Donor Week (Sen. Mercer)	An Act to amend the Bankruptcy and Insolvency Act (RRSP and RESP) (Sen. Biron)	An Act to amend the Marriage (Prohibited Degrees) Act and the Interpretation Act in order to affirm the meaning of marriage (Sen. Cools)	An Act to amend the Department of Justice Act and the Supreme Court Act to remove certain doubts with respect to the constitutional role of the Attorney General of Canada and to clarify the constitutional relationship between the Attorney General of Canada and Parliament (Sen. Cools)	An Act to amend the State Immunity Act and the Criminal Code (terrorist activity) (Sen. Tkachuk)		Title	An Act to amend the Act of incorporation of The General Synod of the Anglican Church of Canada (Sen. Rompkey, P.C.)	An Act respecting Scouts Canada
No.	S-19	S-20	S-21	S-22	S-23	S-24	S-26	S-28	S-29	S-30	S-32	S-34	S-35		No.	S-25	S-27

### CONTENTS

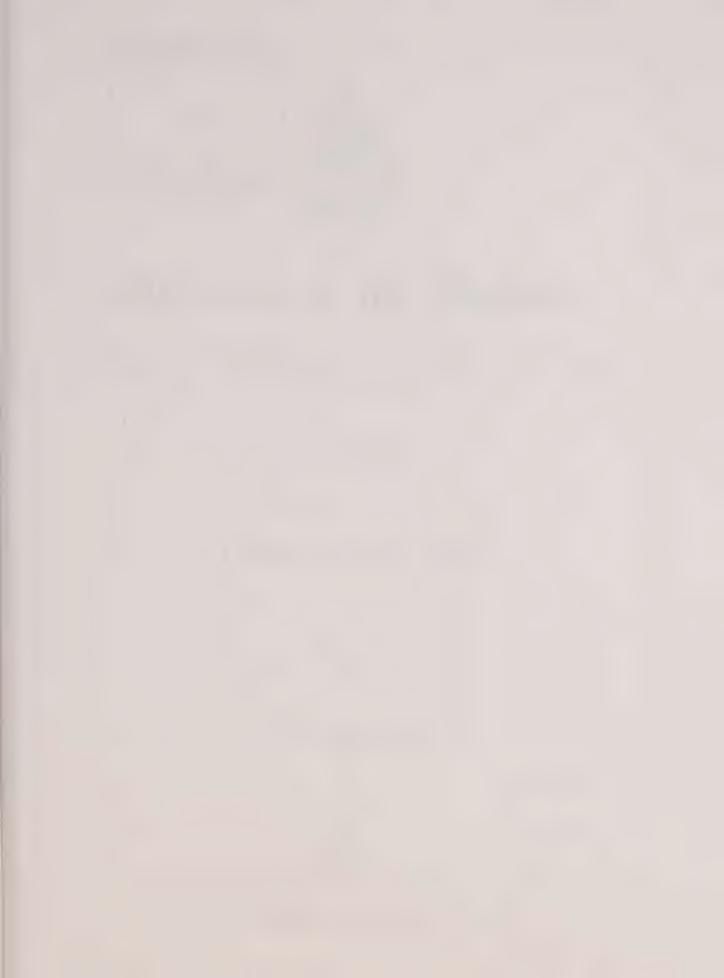
### Thursday, May 19, 2005

PAGE	PAGE
ENATORS' STATEMENTS	Fiftieth Annual Session of NATO Parliamentary Assembly, November 12-16, 2004—Report Tabled. Hon. Jane Cordy
tional Speech and Hearing Awareness Month on. Noël A. Kinsella	and Political Committees, February 20-21, 2005—Report Tabled.  Annual Economics and Security Committee Consultation
bebec Black Medical Association on. Lucie Pépin	with OECD, February 22, 2005—Report Tabled. Hon. Jane Cordy
va Scotia 1 No. 213—Injustices Committed Against People of Africville.	Notice of Motion to Amend Rule 96, Clause-by-clause Consideration.
on. Donald H. Oliver	Hon. Tommy Banks
e Caldwell Partners Ingratulations to Top 40 Under 40 Award Recipients, Ingratulations and Glen LeBlanc. In Terry M. Mercer	The Hon. the Speaker pro tempore. 1337 Tribute to Departing Pages. The Hon. the Speaker pro tempore. 1337
difax Regional Heritage Fair on. Jane Cordy	QUESTION PERIOD
e Senate I to Amend Migratory Birds Convention Act and Canadian nvironmental Protection Act—Comments in Media. nn. Tommy Banks	Delayed Answers to Oral Questions Hon. Bill Rompkey
n. Tolliny Banks	Justice Same-sex Marriage Bill—Support of Vatican. Question by Senator Kinsella.
OUTINE PROCEEDINGS	Hon. Bill Rompkey (Delayed Answer)
ti-Terrorism Act mual Report on Investigative Hearings and Recognizance ital Report on Use of Arrests Without Varrant Tabled. m. Bill Rompkey	Heritage State of National Art Gallery—Review of Museums Policy— Request for Update. Question by Senator Johnson. Hon. Bill Rompkey (Delayed Answer)
e Estimates, 2005-06 cond Interim Report of National Finance Committee Tabled. on. Donald H. Oliver	Public Safety and Emergency Preparedness Training of Palestinian Security Forces. Question by Senator Forrestall. Hon. Bill Rompkey (Delayed Answer)
ird Interim Report of National Finance Committee Tabled. on. Donald H. Oliver	Finance Efficacy of Canada Education Savings Grant Program. Question by Senator LeBreton. Hon. Bill Rompkey (Delayed Answer)
port of Agriculture and Forestry Committee Tabled.  n. Joyce Fairbairn	National Revenue Universities—Application of Goods and Services Tax
ady on Government Policy for Managing Fisheries and Oceans terim Report of Fisheries Committee Tabled. on. Gerald J. Comeau	to Student Meal Plans.  Question by Senator Oliver.  Hon. Bill Rompkey (Delayed Answer)
port and Import of Rough Diamonds Act (Bill S-36)	
l to Amend—First Reading. on. Bill Rompkey	ORDERS OF THE DAY
iminal Code Ilural Property Export and Import Act (Bill S-37)	Business of the Senate
ll to Amend—First Reading. on. Bill Rompkey	Hon. Bill Rompkey
anada-Europe Parliamentary Association cond Part of 2005 Ordinary Session of the Parliamentary assembly of the Council of Europe, April 25-29, 2005— teport Tabled.  Dr. Lise Bacon	Canada Grain Act Canada Transportation Act (Bill C-40) Bill to Amend—Third Reading. Hon. Grant Mitchell
madian NATO Parliamentary Association mual Spring Session, May 28-June 1, 2004—Report Tabled.	DNA Identification Act National Defence Act (Bill C-13) Bill to Amend—Third Reading
on. Jane Cordy	Hon. Landon Pearson

PAGE  Aeronautics Act (Bill S-33) Bill to Amend—Second Reading—Debate Adjourned. Hon. Jim Munson	Hon. Tommy Banks
Bankruptcy and Insolvency Act (Bill S-28) Bill to Amend—Second Reading—Order Stands. Hon. Wilfred P. Moore	to Issues of Mental Health. Hon. Bill Rompkey, 1346 Hon. Noël A. Kinsella 1346
Study on Development and Marketing of Value-added Agricultural, Agri-food and Forest Products Report of Agriculture and Forestry Committee Adopted. Hon. Joyce Fairbairn	Business of the SenateHon. Bill Rompkey1346Hon. Noël A. Kinsella1346Hon. Marcel Prud'homme1346
Province of Alberta Inquiry—Debate Continued. Hon. Marcel Prud'homme	General Synod of the Anglican Church of Canada Private Bill to Amend Act of Incorporation— Message from Commons. The Hon. the Speaker pro tempore
Hon. Marcel Prud'homme	Royal Assent The Hon. the Speaker pro tempore
Influence of Culture Inquiry—Debated Adjourned. Hon. Viola Léger 1343 Hon. Nöël A. Kinsella 1345 Hon. Marcel Prud'homme 1345	Adjournment Hon. Bill Rompkey









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**CANADA** 

### Debates of the Senate

1st SESSION

38th PARLIAMENT

VOLUME 142

NUMBER 64

OFFICIAL REPORT (HANSARD)

**Tuesday, May 31, 2005** 

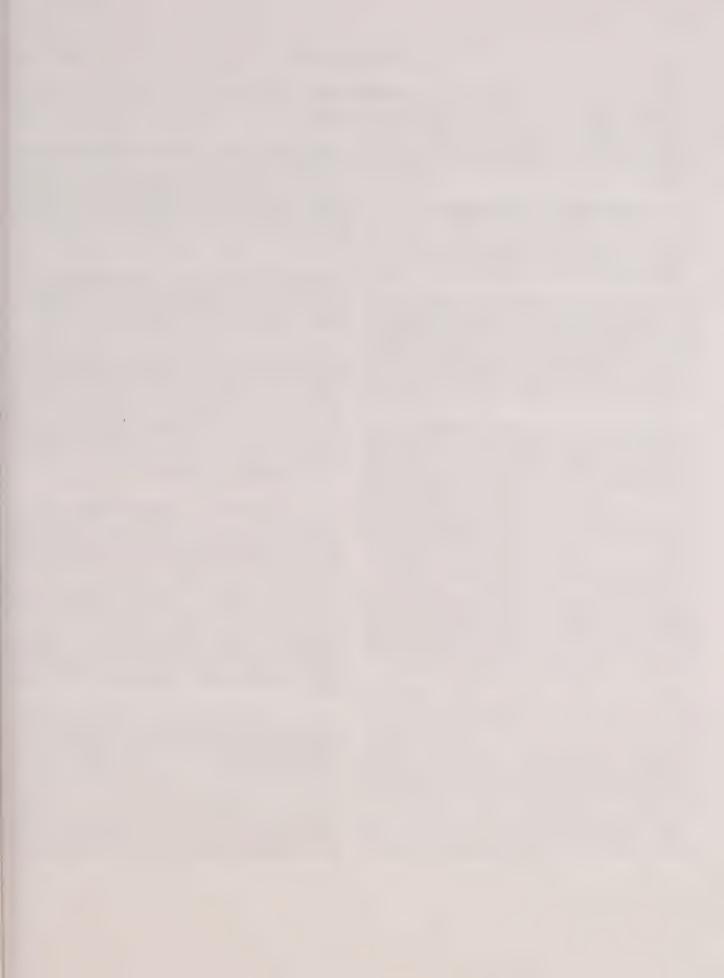
THE HONOURABLE DANIEL HAYS SPEAKER



### CONTENTS

(Daily index of proceedings appears at back of this issue).

Debates and Publications: Chambers Building, Room 943, Tel. 996-0193



### THE SENATE

Tuesday, May 31, 2005

The Senate met at 2 p.m., the Speaker in the chair.

Prayers.

### SENATORS' STATEMENTS

### SUPREME COURT OF CANADA

DECISION ON CANADA (HOUSE OF COMMONS) V. VAID

Hon. Serge Joyal: Honourable senators, on Friday May 20, the Supreme Court of Canada released its unanimous decision in the Canada (House of Commons) v. Vaid case. On the surface, this case was about a human rights complaint involving the House of Commons and former Speaker Parent, who was alleged to have constructively dismissed his driver, Mr. Satnam Vaid, for reasons based on race, colour and national or ethnic origin. In reality, this is a landmark decision of the Supreme Court with respect to parliamentary privilege.

Honourable senators will recall that Senator Mobina Jaffer and I were granted intervenor status by the court. We decided to take this unusual step to support the respondents, Mr. Vaid and the Canadian Human Rights Commission, because we thought it essential that both Houses of Parliament, as a matter of principle, should be obliged to respect the human rights of their employees.

The appeal to the court by the House of Commons and the Speaker was centered on the constitutional question stated by Chief Justice McLachlin. The question asked whether the Canadian Human Rights Act is inapplicable to the House of Commons and its members with respect to parliamentary employment matters as a consequence of parliamentary privilege.

Two years ago, the Standing Senate Committee on Rules, Procedures and the Rights of Parliament studied the issue raised in the *Vaid* case but made no recommendation. However, some of the expert testimony heard by the committee during its study, which was subsequently published as a separate report, was of key importance in the preparation of our factum, drafted with the assistance of our legal counsel, Mr. Dale Gibson of Alberta.

We maintained that a claim to an historic parliamentary privilege must be founded on section 18 of the Constitution Act, 1867, and on section 4 of the Parliament of Canada Act, both of which limit our privileges to those held by the U.K. House of Commons. "The management of employees" has never been acknowledged as a privilege at Westminster by its parliamentary authorities or by the British courts. In addition, the power to manage all employees does not merit the status of privilege in Canada because it is not necessary to the effective conduct of the "proceedings of Parliament" or its "internal affairs."

We held that Parliament should not be considered a statute free-zone, exempt from the Canadian Human Rights Act and, therefore, employees of the Senate and of the House of Commons should be entitled to the protection of this important, quasiconstitutional statute.

Honourable senators, the Supreme Court's unanimous decision accepted virtually all of our arguments. The court referred directly to our factum in paragraph 58. Moreover, the court's decision contained a detailed analysis of the "doctrine of parliamentary privilege" that will be of great assistance to Parliament in the future.

The court also decided that Mr. Vaid's complaints should be considered under the Parliamentary Employment and Staff Relations Act. It concluded that the grievance procedure in PESRA is a proper mechanism to review these complaints founded on the Canadian Human Rights Act.

Before concluding, Senator Jaffer and I would like to express our sincere gratitude to the honourable senators who contributed to the costs associated with our intervention: Senator Michael Pitfield, former Senator Richard Kroft and Senator Wilfred Moore.

We invite all honourable senators to read this important decision and share with us in the satisfaction of knowing that the Canadian Human Rights Act does protect the employees of Parliament, whether they work in the Senate, the House of Commons or the Library of Parliament.

### CANADA'S LEVEL OF LITERACY

Hon. Donald H. Oliver: Honourable senators, I was shocked to read an editorial in *The Globe and Mail* on May 23 that stated: "Canadians are not ready for the information age, because our literacy skills are simply not strong enough."

That was the conclusion of a new survey on literacy in Canada and six other well-off countries that was commissioned by the United States National Centre for Education Statistics and the Organisation for Economic Co-operation and Development. According to the study, "forty-two per cent of Canadians between 16 and 65 did not reach the level of literacy considered necessary to thrive in modern society." Even worse, Canada scored about the same in 2003 as it did almost one decade earlier in 1994.

The report found that roughly "4 in 10 Canadians lack the skills needed to give themselves and their families a decent life." Those living on native reserves and in ethnic communities were excluded from the survey — "if they hadn't been, Canada might have performed even worse."

In one sense, honourable senators, one could argue that the glass is really half full because Canada scored "no worse than third out of the seven countries surveyed." However, given the demands for productivity placed on Canadian business and industry in today's information age, we cannot afford to accept mediocrity. Nations who do not focus on productivity do so at

their peril. According to Mr. Andrew Sharpe, Executive Director of the Canadian Centre for the Study of Living Standards, enhancing productivity should be "a nation's economic destiny."

Mr. Sharpe shocked members of the Standing Senate Committee on Banking, Trade and Commerce on May 11 when he revealed that Canada has had virtually no productivity growth in the last two years, measured on an output per hour basis. He told the committee that Canada's relative level of business-sector productivity vis-à-vis the United States has plummeted from 81 per cent in 2002 to 74 per cent in 2004.

Mr. Sharpe put it to the committee like this:

If we have a 1 per cent productivity growth, we will see living standards double in 70 years. If we can raise productivity growth to 3 per cent, we will double in 24 years. If we can attain 2 per cent productivity growth over the next 30 years, all the problems related to aging in terms of the cost of health care and pensions will pretty well evaporate.

Honourable senators, it all starts with basic literacy skills, and with equipping Canadians with the basic technological skills necessary to succeed in today's information age. Forty-two per cent of Canadians aged 16 to 65 do not have the literacy skills required for full participation in our knowledge economy. This situation is simply unacceptable. We must do better.

### INTERNATIONAL POLICY STATEMENT

Hon. Jerahmiel S. Grafstein: Honourable senators, Canada's International Policy Statement provokes a pause for holistic reflection. Is it a truism that Canada is a trading nation? True, almost 50 per cent of our jobs depend on trade. We are in the business of trade and yet to call ourselves a trading nation, when almost 90 per cent of our trade is with the United States, is a malapropism. This trade imbalance is both disturbing and ultimately dysfunctional. Any business would be foolhardy to depend on one customer — so too for trading nations.

The International Policy Statement offers a fresh start in thinking anew about how to fast track trade diversification consonant with our foreign policy in pursuit of both democratic and economic development. There are new ways to collaborate abroad as the statement suggests, via research and investment.

• (1410)

Trade, we agree, follows investment. Fast-tracking trade diversification will bring faster results in terms of producing growth at home while reducing security threats abroad. Accelerating economic growth and democratic development abroad is North America's safest safeguard against insecurity.

Here are four simple ideas on fast-tracking a revitalized and re-engineered free trade agenda: While we talk about Canada's role in the Middle East, we do not mention a free trade agreement with willing Jordan, as we have so successfully undertaken with Israel. Once the Palestinian Authority is ready, it too can join. Free trade enhances both democracy and economics. Consider the American model of free trade with Jordan, which requires both Jordanian and Israeli inputs as small steps toward economic cooperation and democratic integration. This model would work not just in Jordan but throughout the Middle East. Egypt is experimenting with this model with Israel as we speak. Others are also interested.

Turning to the eastern front, Canada has a special relationship with Ukraine. Without faster economic growth, the "Orange Revolution" will falter and insecurity arise. Could we not undertake a preparatory agreement with Ukraine leading to free trade? Canada has the benefit of Ukraine's largest diaspora, which could take an active hand in developing these relationships.

You will recall, senators, that two weeks ago, all senior deputy ministers from Georgia visited Ottawa to learn how our public service and departments operate in a free and democratic society. The "Rose Revolution" cannot succeed without economic growth. A preparatory free trade agreement that would include Georgia, Azerbaijan and Armenia would be a giant leap forward towards economic growth, harmonization and democratic development in this troubled region — across the Caucasus — and put Canada in play in a region where we are grossly underrepresented.

Finally, the foreign policy statement has targeted Africa as a priority, as has our report in the Senate. Why should we not lead with a free trade agreement with South Africa, the most stable and greatest economic power in Africa? Here, too, we have a special relationship. We share complementary economics, resources, agriculture, manufacturing, education, science and similar political institutions. We benefit from a large and talented South African expatriate community which could help navigate such an agreement consistent with our policy placing Africa at the top of our foreign policy agenda.

Honourable senators, without economic and democratic development marching hand in hand, we can neither advance growth at home nor stability abroad. Canada can move swiftly and cost-efficiently on all these fronts, enhancing our national interest while jump-starting these four regions of the world toward greater economic and democratic growth and stability. Principles and pragmatism march best when they march together.

### TORONTO POLICE SERVICE

### TRIBUTE TO CHILD EXPLOITATION UNIT

Hon. Consiglio Di Nino: Honourable senators, I rise today to pay tribute to the Toronto Police Service, and specifically the Child Exploitation Unit, for their determination and creative focus in saving a young American girl and nine Spanish infants from unspeakable abuse and exploitation. The young American girl was for years an anonymous victim of horrific sexual abuse, which was depicted on child pornography sites to fulfil the sick fantasies of the most twisted, perverted individuals. The Toronto police child porn unit was able to solve the case while protecting the identity of the young victim.

Honourable colleagues, the Toronto Police Service has developed one of the most sophisticated systems for tracking down national and international child pornographers. The dogged and dedicated work of the Toronto police officers last week led to the rescue of nine brutally abused Spanish infants, the youngest of which was 11 months old. These officers were able to identify where the images were taken from clues such as a computer keyboard and a subway ticket that appeared in the background. The clues were found in an 11-minute video featuring a two-year-old boy being tortured and raped. Spanish police have since arrested five men in this horrific case.

Too often, the extraordinary commitment and accomplishments of our police forces across Canada go unnoticed and unappreciated. Canadian police forces solve many cases every day, but these kinds of cases, the result of sick and perverted acts on the most vulnerable, must be the most difficult and yet the most satisfying to solve.

Det. Sgt. Paul Gillespie, head of the Toronto child porn unit, said of the Spanish case:

This is one of those times where all the pieces came together internationally, and luckily there have been some children rescued from horrific circumstances.

My message to Det. Sgt. Gillespie is this: You are too humble, sir. You and your colleagues, and indeed all police officers across Canada, deserve more credit, more praise and more thanks. I know I speak on behalf of all honourable senators in extending to you and your colleagues our congratulations and deep felt gratitude.

### DISTINGUISHED VISITOR IN THE GALLERY

The Hon. the Speaker: Honourable senators, I would like to draw your attention to the presence in our gallery of our former colleague the Honourable Derek Lewis. He is accompanied by his wife, Grace.

Welcome back.

[Translation]

### **ROUTINE PROCEEDINGS**

### COMMISSIONER OF OFFICIAL LANGUAGES

2004-05 ANNUAL REPORT TABLED

The Hon. the Speaker: Honourable senators, I have the honour to table the 2004-05 Annual Report of the Commissioner of Official Languages, pursuant to section 66 of the Official Languages Act.

[English]

### SPIRIT DRINKS TRADE BILL

### FIRST READING

Hon. Bill Rompkey (Deputy Leader of the Government) presented Bill S-38, respecting the implementation of international trade commitments by Canada regarding spirit drinks of foreign countries.

Bill read first time.

The Hon. the Speaker: Honourable senators, when shall this bill be read the second time?

On motion of Senator Rompkey, bill placed on the Orders of the Day for second reading two days hence.

### CANADA-UNITED STATES INTER-PARLIAMENTARY GROUP

CANADIAN/AMERICAN BORDER TRADE ALLIANCE CONFERENCE, APRIL 24-26, 2005—REPORT TABLED

Hon. Jerahmiel S. Grafstein: Honourable senators, pursuant to rule 23(6), I have the honour to table, in both official languages, the report of the Canadian delegation of the Canada-United States Inter-Parliamentary Group respecting its participation in the Canadian/American Border Trade Alliance Conference, "The Canadian/U.S. Border — A Unified Focus," Ottawa, Ontario, April 24-26, 2005.

[Translation]

### TRANSPORT AND COMMUNICATIONS

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO EXTEND DATE OF FINAL REPORT ON STUDY OF MEDIA INDUSTRIES

Hon. Joan Fraser: Honourable senators, I give notice that at the next sitting of the Senate I shall move:

That, notwithstanding the Order of the Senate adopted on Tuesday, October 19, 2004, the date for the presentation of the final report of the Standing Senate Committee on Transport and Communications on its study into the current state of Canadian media industries; emerging trends and developments in these industries; the media's role, rights, and responsibilities in Canadian society; and current and appropriate future policies relating thereto, be extended from Friday, June 17, 2005 to Friday, December 23, 2005.

[English]

### **FOREIGN AFFAIRS**

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO STUDY INTERNATIONAL POLICY STATEMENT

Hon. Peter A. Stollery: Honourable senators, I give notice that at the next sitting of the Senate I shall move:

That the Standing Senate Committee on Foreign Affairs be authorized to examine and report on the documents Overview, Diplomacy, Development and Commerce of Canada's International Policy Statement, tabled in the Senate April 19, 2005; and

That the Committee report to the Senate no later than March 31, 2006.

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO MEET DURING ADJOURNMENT OF THE SENATE

Hon. Peter A. Stollery: Honourable senators, I give notice that at the next sitting of the Senate I shall move:

That the Standing Senate Committee on Foreign Affairs, in accordance with rule 95(3)(a) of the *Rules of the Senate*, be authorized to meet from July 12 to 14, 2005, inclusively, even though the Senate may be adjourned for more than a week.

• (1420)

### PROGRESS REPORT ON QUALITY END-OF-LIFE CARE

NOTICE OF INQUIRY

Hon. Sharon Carstairs: Honourable senators, pursuant to rule 57(2), I give notice that, two days hence:

I shall call the attention of the Senate to Still Not There: Quality End-Of-Life Care, A Progress Report.

### **QUESTION PERIOD**

### **JUSTICE**

COMMISSION OF INQUIRY INTO THE SPONSORSHIP PROGRAM AND ADVERTISING ACTIVITIES—LEGAL PARAMETERS

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, the Prime Minister has told Canadians that Justice Gomery will be able to tell who is responsible for the organized "adscam" scandal. We are continually told to wait for Justice Gomery to report before drawing any conclusions, yet paragraph (k) of Justice Gomery's terms of reference states:

k. The Commissioner be directed to perform his duties without expressing any conclusion or recommendation regarding the civil or criminal liability of any person or organization...

Given this limitation, beyond simply summarizing testimony already in the public domain, exactly what powers does Justice Gomery have to name names and to tell Canadians who is responsible for this sponsorship scandal?

Hon. Jack Austin (Leader of the Government): Honourable senators, I am delighted to assist in responding to this question. As Mr. Justice Gomery said on taking this appointment, he was satisfied he had all the powers that were necessary to carry out his inquiry and to identify what took place and who was responsible for what took place.

I should like to advise the chamber that Mr. Justice Gomery will be following the principles for an inquiry as set down in the tainted blood case that was reviewed by the Supreme Court of Canada. The Supreme Court laid down the principles that have been followed in both provincial and federal inquiries to the effect that this is not a criminal proceeding, where evidence is judged beyond a reasonable doubt, or a civil liability proceeding, where evidence is judged under the rules of evidence relating to the balance of probabilities. This is an inquiry that does not follow the rules of evidence but rather pursues issues that are found by the inquiry commissioner to be within his mandate. There is no constraint whatsoever with respect to the issue of identifying what took place and who was responsible for what took place.

**Senator Stratton:** Honourable senators, the leader is telling me that Justice Gomery has the right and will be able to name names as to where the responsibility lies in this inquiry. Is that, in essence, what the leader is saying?

**Senator Austin:** Honourable senators, I am saying that Mr. Justice Gomery is not restrained from drawing conclusions of fact and indicating who carried out what actions. He can deal with the question of responsibility for those actions. He cannot make findings of civil or criminal responsibility, but, short of that, he can certainly do anything he wishes to do.

**Senator Stratton:** Forgive me if I am putting words into the honourable leader's mouth, but I want to make sure I have this clear. In his report, Justice Gomery can actually name individuals and the acts that they carried out; is that what he is saying?

**Senator Austin:** Yes, he can make findings of fact that are, in his judgment, facts based on conclusions drawn from the evidence put before the commission, and he can identify the people who have carried out certain activities.

Senator Stratton: I really want to get to the question of what the Prime Minister has said in the past. On February 13, 2004, the Prime Minister told a press conference in Brockville, Ontario, that, "When I said there was going to be a public inquiry, it is a public inquiry that will have no limits."

Further, the Prime Minister was also quoted by the *National Post* this last March 12 as saying that, "We want all of the answers and we want them very, very much." The question then becomes: Is there a differentiation as to what the Prime Minister said then and the responses today? Are we talking around the issue? From what one reads, Canadians are expecting in the

findings of the Gomery report that they will be able to read the names named and the actions carried out so that they will have a clear understanding of what took place. The criminal proceedings are under way now and further criminal proceedings may or may not take place subsequent to the tabling of that report.

Senator Austin: Honourable senators, I think it is necessary to emphasize again that no inquiry created by any government is authorized to make findings of a criminal or civil liability. We have court processes to ascertain liability and those processes have rules of evidence with respect to what is said and the documents that are prepared. These are longstanding practices, and I am sure that no honourable senator wants to interfere with them.

Honourable senators, an inquiry is authorized to receive evidence. The commissioner is entitled to pursue his mandate, in his own judgment, as to what is appropriate. The commissioner is entitled to draw conclusions from the facts, to state what he believes to be the facts, to say who carried out what actions, and to tell the Canadian public what took place. I believe that the statements referred to by Senator Stratton are being followed by the commission.

When Mr. Justice Gomery approved the terms of reference, he said that he was satisfied that he had the authority to do what I have just said he is permitted to do. I repeat: He will follow the principles for an inquiry as set out by the Supreme Court of Canada in the tainted blood case.

Honourable senators, we are aware that a resolution has been presented by the Conservative Party in the other place relating to the Gomery inquiry, and as far as I am concerned, it is redundant to Justice Gomery's mandate. There is a concern — and Senator Tkachuk says there should not be a problem — shared by all honourable senators that nothing be done to interfere with the course of the Gomery inquiry and that it be left untainted by political statements and political action. Mr. Justice Gomery must be allowed to come to his conclusions without the appearance of any attempt by a political individual or group to influence his work. The resolution in the House can be coloured as an attempt to interfere with his work, and I would hope that the other chamber will recognize that it does not add anything to the inquiry and may set up a political question with respect to it.

• (1430)

COMMISSION OF INQUIRY INTO THE SPONSORSHIP PROGRAM AND ADVERTISING ACTIVITIES— LAYING OF CHARGES FOR WRONGDOING

Hon. Gerry St. Germain: Honourable senators, my question is to the Leader of the Government in the Senate. What guarantee do Canadians have that those who broke the law will be brought to justice under the criminal process in this country? If the allegations are correct in regard to kickbacks to the Liberal Party of laundered and dirty money, then theoretically the Liberal Party has fraudulently won three elections — 1997, 2000 and 2004.

Can the minister tell us what guarantees there are that the people who participated in these criminal activities will be brought to justice?

Hon. Jack Austin (Leader of the Government): Honourable senators know that three persons have already been charged under the Criminal Code for actions taken that relate to events being investigated by Mr. Justice Gomery. There may well be others. That is in the hands of the RCMP and the Attorney General of the Province of Quebec. The guarantees are within the integrity of our legal system.

### PRIVY COUNCIL OFFICE

COMMISSION OF INQUIRY INTO THE SPONSORSHIP PROGRAM AND ADVERTISING ACTIVITIES— STRATEGIC OFFICE FOR PREPARING GOVERNMENT RESPONSES

Hon. Marjory LeBreton: Honourable senators, last week we learned that the Martin government is using over \$1 million of taxpayers' money to run a war room in the Privy Council Office to control the damage coming out of the Gomery inquiry and to prepare answers for the ministers of the Crown, perhaps the ones that Senator Austin has in his book. Can the Leader of the Government explain why this function is being run out of the Privy Council Office and not out of the more political Prime Minister's Office?

Hon. Jack Austin (Leader of the Government): I would be delighted to respond to the question of Senator LeBreton. The office was set up to facilitate the Gomery inquiry. That commission was set up by the Crown and demands were made for documents from the federal government. That is the work of the Privy Council Office. They were given the instruction to provide every possible facilitation to the Gomery commission in relation to the provision of any documents that the Gomery commission requested. The office is not, as Senator LeBreton has said — I believe the phrase was —

Senator Tkachuk: A war room.

Senator Austin: Thank you, Senator Tkachuk — some kind of political activity or action. It is an office with a function that has to be performed by the Privy Council because the Privy Council has access to the documents.

Senator LeBreton: I am quoting from a newspaper article that was reporting on this subject matter. That article says quite clearly that the cost of the strategic office, which does everything from prepare answers for Question Period in the House of Commons to keeping the PMO abreast of the testimony at the inquiry, covers the salaries of staff and expenses. It clearly states in this access request that that strategic office is helping prepare answers to questions. That is a political matter, and the government leader can answer to that in a moment.

According to the government phone directory, five persons are formally assigned to this branch in the PCO known as Coordination Sponsorship Matters. Could the Leader of the Government confirm that this is the extent of the staffing in this so-called war room, and that no other persons are assigned to this war room from other offices?

Senator Austin: Honourable senators, I do not think there is anyone who knows better than Senator LeBreton the function of the Privy Council Office. It is to advise the Prime Minister with respect to public policy issues. That is by no means to give

political advice to the Prime Minister but, rather, advice with respect to facts and advice with respect to the policies which the government has followed, or to assist in the evolution of public policy. I want to put on the record an absolute denial that this so-called war room has anything to do with political advice.

With respect to the personnel there, I will make inquiries and try to provide Senator LeBreton with an answer.

Senator LeBreton: The Ottawa Citizen of May 24 quoted a memo from February 18, 2004, when the government was setting up this "facility," since the leader does not like to call it a war room. The memo said that Mr. Guy McKenzie was the proposed head of what was then being called the Intergovernmental Coordination Group. Yet, just five days earlier, the Auditor General had specifically identified Mr. McKenzie, the former executive director of Communications Canada, as one of the people whom the Public Accounts Committee of the other place wanted to call as a witness in their investigation of the sponsorship program.

Could the government leader advise the Senate as to why someone so closely connected to the sponsorship program would be considered to coordinate this war room, in spite of having been named by the Auditor General?

While I am on my feet, I have another question with regard to Mr. McKenzie. He is currently the associate deputy head of Infrastructure Canada. His office is at 90 Sparks Street, in the same building as the sponsorship war room. Could the Leader of the Government advise the Senate as to whether Mr. McKenzie has ever played a role in the sponsorship war room, either directly or indirectly, and if so, is this role ongoing?

Senator Austin: Honourable senators, as to the question dealing with the facts with respect to Mr. McKenzie, I will be happy to pursue the information. I am sure Senator LeBreton is not implying that, by being mentioned, someone has done something that requires investigation or raises any question of malfeasance.

Senator LeBreton: I did not suggest that. That is more in the mind of the person making the statement than in mine, I can assure honourable senators. I was simply inquiring as to why Mr. McKenzie, who was mentioned as a potential witness to appear before the Public Accounts Committee and apparently knows something of the sponsorship scandal, would then be considered or put in a position where he would be answering for it, when he may have information that would be in conflict with what he is now being asked by the government to do.

Senator Austin: The implied premise of the question, Senator LeBreton, is that he may be in a conflict of interest position. The honourable senator says that she is not alleging that, but she is very curious, notwithstanding, to know whatever is needed to be known. Of course, whatever is needed to be known I will be happy to provide.

Senator LeBreton: Thank you.

#### FINANCE

LEGISLATIVE AND REGULATORY FRAMEWORK FOR FEDERALLY REGULATED PENSION PLANS— FUND TO GUARANTEE PENSIONS

Hon. Donald H. Oliver: Honourable senator, my question is for the Leader of the Government in the Senate and relates to the fact that more than half of all defined-benefit pension plans regulated by the federal government face some kind of funding shortfall.

Last week, the Minister of Finance released a consultation paper on ways to strengthen the legislative and regulatory framework for pension plans, entitled "Strengthening the Legislative and Regulatory Framework for Defined Benefit Pension Plans Registered under the Pensions Benefits Standards Act, 1985." The problem and issues outlined in that discussion paper include management of fund deficits, obstacles to adequately funding pension plans, the settlement of disputes over surpluses, funding on plan termination and a pension guarantee fund.

These problems are not new, but have become more serious in recent years. Indeed, at least one of the issues raised in this consultation paper, that of full funding on plan termination, was the subject of consultations some four years ago.

Could the Leader of the Government in the Senate advise us whether the government has a specific time frame in mind for bringing forward legislation to strengthen the legal framework of federally regulated pensions?

Hon. Jack Austin (Leader of the Government): I thank Senator Oliver for raising this very important question, which affects the well-being of a considerable number of Canadians. As to the specific question on the time frame, I cannot provide any advice at this moment, but I will make inquiries.

Senator Oliver: As a supplementary question, part of the government's original budget deal with the NDP was a \$100 million fund to guarantee pensions, and that somehow got cast aside and replaced with a proposal to protect salaries in the event of bankruptcy. The two, frankly, are quite different.

On page 13 of the consultation paper, the finance department takes two sentences to outline the advantages of a pension benefit guarantee fund, followed by seven sentences which take a more critical position on the idea. Will the government act on the proposal to create a fund to guarantee pensions?

Senator Austin: Honourable senators, I will advise when I have the information.

• (1440)

#### INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

COMMITMENTS RESULTING FROM CABINET/ABORIGINAL ASSOCIATIONS RETREAT— FUNDING OF PROPOSALS

Hon. Gerry St. Germain: Honourable senators, today the Prime Minister and cabinet members will participate in a policy retreat with First Nations leaders from across the country. Media reports

have stated that the Aboriginal groups are hoping that the meeting will lead to a deal worth billions of dollars for a variety of initiatives, including changes to the compensation process for survivors of residential school abuse. This is a very positive step on behalf of the government, if they do this.

My question for the Leader of the Government in the Senate is this: How will the federal government pay for the funding commitments it is expected to make to First Nations people this week, given that it has already surrendered its fiscal breathing room to the NDP to the tune of over \$4 billion?

Hon. Jack Austin (Leader of the Government): Honourable senators, I thank Senator St. Germain for his reference to the announcement on the appointment of Mr. Justice Frank Iacobucci, formerly a judge of the Supreme Court of Canada, to act as the government's representative to lead discussions with respect to issues relating to the responsibility of the Government of Canada and certain religious organizations regarding Indian residential schools. Both the Grand Chief Phil Fontaine, who leads the Assembly of First Nations, and the Deputy Prime Minister signed an agreement with respect to this process. Both sides believe that it will facilitate considerably the settlement of a grievous issue. The report is expected from Mr. Justice Iacobucci by March 31, 2006.

With respect to the retreat, it takes place this afternoon at 3:30. I believe a significant agreement will be signed with five Aboriginal groups representing the bulk of the Canadian Aboriginal community, in areas such as health, education and housing in the development of capacity and governance. The serious questions to which Senator St. Germain has in the past alluded regarding the social condition of the Aboriginal community can be addressed in partnership between the federal government and the Aboriginal associations.

With respect to the amount of funding and where it will come from, Senator St. Germain will probably be closer to an answer, as will I, in the budget that is expected in February 2006.

Senator St. Germain: Honourable senators, historically, huge promises have been made to our Aboriginal peoples by governments, and nothing has happened. After land settlement and various other agreements have been entered into, groups have come before the Aboriginal Peoples Committee, indicating that the implementation factor is the outstanding feature that never takes place as far as the Aboriginal peoples are concerned.

It is easy to stand up and make huge promises. There are specific land-claim settlements to the tune of hundreds of millions of dollars in lands that are being held by the Crown with specific claims by our Aboriginal peoples. Why are these land claims not being settled? It appears on the surface, and hopefully I am wrong, that the government is trying to buy votes for the upcoming election. Other than that, why is the government not settling these matters in a chronological and systematic order? The Aboriginal people have been screaming at us in regard to implementation of specific land claims and various other scenarios that affect them. Suddenly, it has become a priority. The government has spent over \$4 billion to gain the support of the NDP and millions of dollars in various sectors of the country. Can the Leader of the Government in the Senate explain where

this money is coming from? Canadians have a right to know. As much as the government may think it is their money, it belongs to Canadians.

Senator Austin: On the final statement of Senator St. Germain, I could not agree more. The money government spends is the money the people of Canada provide to it for public programs.

Senator Tkachuk: It is taken by the force of law at gunpoint.

Senator Austin: Let Honourable Senator Tkachuk have more respect for Parliament, and the democratic process which is Parliament. I do not have to talk to the honourable senators in this chamber, even Senator Tkachuk, about democratic elections, the people's representatives, the right to make decisions on behalf of the people and their accountability to the people.

Some Hon. Senators: Oh, oh.

**Senator Austin:** Will Senator St. Germain's colleagues allow me to address the question?

Senator St. Germain: Seeing as I have been elected, I know what accountability is. That is a big difference.

Senator Austin: The honourable senator was defeated, I take it.

Senator St. Germain: I was, but I had the courage to run.

Senator Austin: So had I. The people, in their wisdom, did not choose me to be a member of Parliament.

Honourable senators, this is an important subject. The whole agenda between the people of Canada and the Aboriginal community is an enormous one. Senator St. Germain refers to treaty settlements. Those settlements involve provinces, which have the land base, and they involve third parties that have acquired vested rights on the land base. Therefore, the process of dealing equitably with Aboriginal communities is one that requires considerable negotiation, patience and capacity building on all parts. That process continues.

Senator St. Germain's first question related to the question of capacity building and social amelioration in the Aboriginal community. The process that will be undertaken this afternoon in a meeting between the federal cabinet, led by the Prime Minister, and the representatives of five organizations representing most of the Aboriginal community, is one that relates to the improvement of social conditions. The process also relates to the improvement of the capacity of Aboriginal communities to create viable economic businesses, to manage their affairs in a transparent and accountable fashion, and to be accountable to their own people in the way they want to be accountable.

#### **PRIVY COUNCIL**

INDIAN RESIDENTIAL SCHOOLS RESOLUTION— FUNDING OF SETTLEMENTS

Hon. David Tkachuk: Honourable senators, from what I have read today, the \$4.5 billion dollars that was agreed to between Mr. Fontaine and the Prime Minister, the Government of Canada and the Assembly of First Nations, was considered a starting

point. Could the leader of the government tell us whether there has been any assessment by the federal government as to perhaps how much money in total it would take to settle the residential school question?

Hon. Jack Austin (Leader of the Government): Senator Tkachuk, if you read carefully, you will discover that there was no sum undertaken or committed by the federal government. These are estimates by various people of what it might cost. There is no agreement that provides specific funds to be transferred to the Aboriginal communities at this stage.

What is planned today are agreements in principle on the shared direction for the development of programs with the Aboriginal community, and then a major first ministers' conference in the fall with the Aboriginal leadership to deal with that issue of both funding and the role of the provinces in the supply and support of services.

Senator Tkachuk: If no money is to be directed to the 4,000 First Nations people who have said they have been abused by the residential school system, where did the \$4.5 billion come from? Why is it being used if no money is being distributed?

Senator Austin: I know the honourable senator does not want to misunderstand. With respect to the Indian school settlement question, the government representative, Mr. Iacobucci, will be making recommendations as to the quantum. The government has agreed in principle to provide compensation, but there is no number set out. It will be for Mr. Iacobucci to make a recommendation after negotiations with all the parties as to the quantum.

• (1450)

#### **DELAYED ANSWERS TO ORAL QUESTIONS**

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour to present two delayed answers to oral questions raised in the Senate. The first is to an question raised on May 11, 2005, by Senator Keon regarding private and public delivery of services.

[Translation]

The second is to a question raised on May 11, 2005, by Senator Comeau regarding the Nunavut Report on Development of the Arctic Fisheries Industry.

#### **HEALTH**

#### PRIVATE AND PUBLIC DELIVERY OF SERVICES

(Response to question raised by Hon. Wilbert J. Keon on May 11, 2005)

The Honourable Senator Keon had inquired whether the federal government wants to get into the business of buying out private diagnostic clinics.

Provinces and territories must comply with the Canada Health Act criteria and conditions in order to receive the full amount of the Canada Health Transfer cash contribution. Under the Canada Health Act, all medically necessary

insured health services must be covered by provincial/territorial health insurance plans. The Canada Health Act applies to insured health services whether they are delivered in public or private hospital facilities.

That being said, provinces and territories have the primary responsibility for the organization of health care. Provincial and territorial governments have jurisdiction over the administration and delivery of health care services and health human resources. Hence, buying out clinics is not within the jurisdiction of the federal government. While this government's preference is to strengthen the publicly-funded health care system, as the Honourable Senator Austin correctly stated on May 11, 2005, the Canada Health Act does not preclude provinces from entering into arrangements with the private sector as long as insured residents are not charged for insured services.

Canada's approach to resolving possible Canada Health Act compliance issues emphasizes transparency, consultation and dialogue with provincial and territorial health ministry officials. In most instances, issues are successfully resolved through consultation with provinces and territories based on a thorough examination of the facts. To date, most disputes and issues related to the administration and interpretation of the Canada Health Act have been addressed and resolved without resorting to deductions.

Health Canada will continue to work with all provinces and territories to ensure that they operate in full compliance with the requirements of the *Canada Health Act*.

#### FISHERIES AND OCEANS

# NUNAVUT—REPORT ON DEVELOPMENT OF ARCTIC FISHERIES INDUSTRY

(Response to question raised by Hon. Gerald J. Comeau on May 11, 2005)

The Government of Canada is committed to helping build strong northern economies.

The government demonstrated its readiness to begin action on the most pressing needs by announcing in the March 2004 Budget \$90 million over five years in support of northern economic development, commencing in 2004-05. In conjunction with the territorial governments, the Government of Canada is developing strategic investment plans and subsequent economic development activities in the north. These investments will be made across four broad thematic areas: building the knowledge base; enhancing the economic infrastructure base; capacity development; and, economic diversification. Under this initiative, development of a sustainable and viable fishery and harbour development in Nunavut have been identified as priorities.

In addition to this major investment, the Government of Canada is working in collaboration with territorial governments in the development of a Northern Strategy. A first key milestone was December 14, 2004, when the Prime Minister and Territorial Leaders jointly announced a

framework for a Canadian Northern Strategy. The Northern Strategy offers a multidimensional policy framework that will address a number of strategic goals, including the establishment of strong foundations for economic development, building healthy and safe communities and developing northern science and research.

The Northern Strategy was reaffirmed in the 2005 Budget through a commitment of \$120 million, which will be divided equally among the three territories, in order to provide the territorial governments with additional capacity over three years to help achieve the objectives of the Northern Strategy in the short term. The strategy, which will be announced later this spring, will provide a solid foundation for collaboration in achieving joint federal and territorial objectives in the north, including those related to research, infrastructure and training.

The development of the Northern Strategy is being led by the Department of Indian and Northern Affairs (INAC), and the Department of Fisheries and Oceans (DFO) is working with INAC and other federal departments in this important initiative. The department continues to advocate actions under the strategy that will lead to the development of sustainable and viable fisheries in the north.

On April 27, 2005, Geoff Regan, Minister of Fisheries and Oceans, officially launched a three-year, \$5.1 million fisheries training fund for Nunavut. The program, which started up in February, can accommodate 50 to 60 trainees and is to support capacity building of Inuit from low-level deckhand and factory jobs into better-paying technical and professional jobs: mates, engineers, fisheries observers, and administrators.

The main contribution of DFO's effort in support of the Arctic fisheries industry is to provide increased Nunavut access to the marine fisheries in its adjacent waters. For example, since 1999, Nunavut's share of the increases in northern shrimp allocation in adjacent waters has more than doubled; and Nunavut's overall allocation of Greenland Halibut has similarly doubled.

In addition, several research projects have been ongoing to assist the development of fisheries in the Nunavut Territory in recent years. Among these projects:

- 1. Cumberland Sound Greenland Halibut Monitoring 1997-2005: The results of this program were used to establish a quota for Cumberland Sound turbot that is separate from the one in 0B.
- Greenland Halibut Stock Assessment in NAFO Division 0A and 0B. Extensive surveys were conducted in Baffin Bay and Davis Strait Area in 1999-2004. These were invaluable in the establishment of total allowable catch in NAFO Division 0A and 0B.
- Arctic Char Assessment in Cumberland Sound, Cambridge Bay and in various other areas to support the management of this species for commercial and sustainable uses.

4. DFO in collaboration with the Northern Shrimp Research Foundation will conduct a shrimp survey in NAFO Division 0B and 2G in 2005. The NSRF plans to continue the survey in subsequent years (2006-09).

The Department is aware of the difficult conditions fishers currently operate in and of the contribution which the fishing industry could make to the Nunavut economy and as such has been working closely with the Nunavut Government to determine possible harbour requirements which could best serve the Territory. In early 2004 a joint Department of Fisheries and Oceans/Department of Economic Development and Transportation harbour committee was established to undertake a comprehensive investigation of the needs, costs, and benefits of constructing up to seven harbours in the Territory (sites which were deemed to offer the greatest benefits and support to the fishing industry) and to propose alternative implementation and funding options.

Each of the seven communities was consulted, technical requirements were assessed, and cost effective harbour proposals were designed. A final report is expected to be presented shortly to both the Deputy Minister, Department of Economic Development and Transportation, Government of Nunavut and the Deputy Minister of Fisheries and Oceans, Government of Canada, for their and their Ministers' consideration.

[English]

#### ORDERS OF THE DAY

#### **AERONAUTICS ACT**

BILL TO AMEND—SECOND READING—
POINT OF ORDER—SPEAKER'S RULING RESERVED

On the Order:

Resuming debate on the motion of the Honourable Senator Munson, seconded by the Honourable Senator Mercer, for the second reading of Bill S-33, to amend the Aeronautics Act and to make consequential amendments to other Acts.

Hon. David Tkachuk: Honourable senators, I wish to raise a point of order. The question is as to whether Bill S-33, to amend the Aeronautics Act and to make consequential amendments to other acts, has provisions within it that attract the provisions of rule 81, and sections 53 and 54 of the Constitution Act.

Rule 81 of the Rules of the Senate of Canada reads as follows:

The Senate shall not proceed upon a bill appropriating public money that has not within the knowledge of the Senate been recommended by the Queen's representative.

The relevant portion of section 54 of the Constitution Act states:

It shall not be lawful for the House of Commons to adopt or pass any...Bill for the Appropriation of any Part of the Public Revenue, or of any Tax or Impost, to any Purpose that has not been first recommended to that House by Message of the Governor General...

Section 53 of the Constitution Act is in part reflected in the provisions of rule 81, requiring that money bills originate in the other place. For greater certainty, section 53 reads:

Bills for appropriating any Part of the Public Revenue, or for imposing any Tax or Impost, shall originate in the House of Commons.

In short, I believe that Bill S-33 is a money bill.

The specific provisions of Bill S-33 that concern me are contained in clause 17, notably section 5.82(2), which reads:

The minister shall pay for the cutting and removal of the natural growth that is affected by the agreement, shall compensate the owner or lessee for any reduction in the value of their interest or right in the lands that results from the cutting and, if the owner of the natural growth is not the same as the owner of the lands, shall compensate the owner of the natural growth for any reduction in the value of their interest or right in the natural growth that results from the cutting.

I would add that subsection 5.85 has similar wording and the same intent.

The fact that these subsections started with the words, "The minister shall pay," aroused my curiosity. We do not often see such provisions in Senate bills. While each of them are followed immediately by subsections that enable the Crown to recover the monies paid out by the minister from the airport operator, the issue is whether or not the initial payment constitutes a new appropriation from the Consolidated Revenue Fund. It remains an open question as to what might happen should the airport authority refuse to repay the money, or be unable to pay.

It is true that the amounts involved are likely, but not certain, to be small. That does not, however, fully resolve the question that I raise today. The question is one of principle, not of dollar value.

Beauchesne's 6th edition, citation 611, page 185, states:

A bill from the Senate, certain clauses of which would necessitate some public expenditure, is in order if it is provided by a clause of the said bill that no such expenditure shall be made unless previously sanctioned by Parliament.

The condition subsequent has not been met, and it is thus necessary to determine if the clauses in question do necessitate some public expenditure.

It might be argued that the situation here with regard to the two subsections mentioned bears some similarity to that which arose in the Thirty-fifth Parliament during consideration of Bill S-12, providing for self-government by the First Nations of Canada. You will recall, honourable senators, that Speaker Molgat's ruling on February 4, 1997, said:

Moreover, while Senator Stanbury indicated that clauses 16 to 27 might possibly involve an expenditure by government, it is not certain whether these anticipated operations would be funded by a new appropriation, which would require a Royal Recommendation, or by existing allocations established through previous legislation. Nor is there any language in the bill that effectively imposes any perceived appropriation. Yet these are the conditions to be satisfied when considering whether a Royal Recommendation should be attached to the bill.

I believe the bill under current consideration can be distinguished because the two subsections have mandatory language compelling the minister to make the disbursements. The difficulty I had in considering the operation of the two provisions in the bill at hand relates to the continued lack of clarity as to the circumstances that require a Royal Recommendation. I suspect that this lack of clarity has left government drafters a little uncertain on occasion, and perhaps has even resulted in the attachment of a Royal Recommendation to some bills originating in the other place simply to avoid having to answer the question.

Although similarly not applicable to the situation at hand today, involving as it does the introduction at first instance of a bill in the Senate, the situation has also been confused somewhat by the fact that governments in more recent times, and by that I mean since the mid-1970s, have failed to specify which clauses of bills attract the Royal Recommendation, and have also failed to provide any detail as to the amounts that might be required. While the flexibility that this vagueness engenders is no doubt helpful to the government, it has muddied the waters from a procedural standpoint.

Turning back to the matter at hand, because this is a bill originating in the Senate, it cannot and does not have a Royal Recommendation. For this reason, we need to resolve the question of whether it does, in fact, require a Royal Recommendation by seeking an early ruling on Bill S-33 as to which side of the dividing line — or perhaps I should classify it as more a murky dividing band — it falls.

In reviewing this matter, the Speaker may, at the end of the day, find it helpful to refer to paragraph 599(1) of Beauchesne's 6th edition, page 184:

If any motion, whether in the House or in a committee, requires, but fails to receive, the recommendation of the Crown, it is the duty of the Speaker to announce that no question can be proposed upon that motion, or declare the bill out of order, or to say that the problem may be rectified by the proposer obtaining a Royal Recommendation.

In our case, we all know the latter course of action is not possible.

Hon. Jack Austin (Leader of the Government): Honourable senators, first, I have no notice of the point of order, and therefore I am not well prepared to argue it. However, I doubt very much that it is a point of order. I believe it is an argument that can be levelled in the debate on the legislation to ask whether it should proceed in this chamber. I would be surprised if His Honour would find it as a point of order.

I do not know whether it is appropriate but I would appreciate one sitting day to consider the arguments of Senator Tkachuk and to reply to them. Otherwise, it simply provides a parliamentary advantage because this side is not prepared to reply in detail.

Senator Lynch-Staunton: Too bad.

Senator Cools: He has raised a question that has to be dealt with.

The Hon. the Speaker: I will recognise Senator Stratton next and then I will go to Senator Cools.

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I wish to add a few comments regarding Bill S-33 and whether or not it falls outside of the requirement for a Royal Recommendation.

First, Senator Tkachuk has raised an interesting point with regard to the compulsory nature of the provision requiring the minister to make an expenditure. It is rare to see the word "shall" in this context. Even budget bills do not go so far, as they are always careful to couch the spending provisions permissively.

For example, a brief perusal of Bill C-48, informatively entitled "An Act to authorize the Minister of Finance to make certain payments," now before the other place, reveals that the Minister of Finance "may" make payments out of the Consolidated Revenue Fund, the restriction coming in the form of a limitation, a ceiling, if you can call it that, of \$4.5 billion.

It is curious that this bill does not simply authorize the operator of the airport to conduct the necessary studies, and pay directly for any essential cutting and removal, rather than working through the artifice of the minister responsible. That would obviate the problem now raised.

**(1500)** 

Beauchesne's 6th edition clarifies the role that the three branches of Parliament play. Paragraph 595 at page 183 states, in part, the following:

The Crown, therefore, demands money, the Commons grants it and the Senate assents to the grant.

It would appear that in this case the Senate is being asked to grant the money, with it being left to the other place to assent to the grant.

However it came about, we have before us a bill which purports to compel the minister to make payments out of the Consolidated Revenue Fund, whether directly or indirectly, and which comes without a Royal Recommendation.

There is a second problem with this bill, namely, that there are other provisions which raise questions in my mind about whether it might be properly classified as a money bill. Frankly, I was surprised to see the government taking the view, one that I am generally pleased to support, that the Senate can initiate legislation which involves significant new duties being imposed upon a minister and a department.

I would draw the attention of honourable senators to clause 41 of the bill, which is almost 20 pages in length and which replicates large portions of the Canadian Transportation Accident Investigation and Safety Board Act. This clause creates a new body, the Airworthiness Investigative Authority, and assigns it the responsibility for investigating incidents involving civilians and military aircraft or facilities.

As I indicated, it is a bold move on the part of the government to introduce legislation in the Senate that appears to run contrary to the February 27, 1991 ruling of Speaker Charbonneau, when he said:

The Chair is of the opinion that clauses 8(2) and 8(3) clearly impose new statutory duties on the Minister of Indian and Northern Affairs, and hence on the department. They therefore infringe upon the financial initiative of the Crown and are not in order. Bill S-18, as long as it contains these contravening clauses, should not be proceeded with and should be removed from the order paper.

In arriving at that decision, Speaker Charbonneau reviewed the recommendation of the Standing Senate Committee on National Finance in its report of February 1990 as well as citing Erskine May, twenty-first edition. I will draw the attention of honourable senators to Erskine May, twenty-second edition, at page 767, under the heading "Increase of expenditure by extension of purposes, etc."

When a bill contains a provision extending the purposes of expenditure already authorized by statute (for example, by adding to the functions of an existing Government agency or publicly funded body, extending the classes of persons entitled to a statutory grant or allowance, or extending the range of circumstances in which such grants or allowances are payable), that provision will normally require authorization by Money resolution. In determining this question, regard is taken only of the particular provision in the bill.

Beauchesne's 6th edition, paragraph 596, page 183, deals with the Royal Recommendation and states, in part:

...an amendment infringes the financial initiative of the Crown not only if it increases the amount but also if it extends the objects and purposes...

In this context, it is important to note that Bill S-33 is in reality an amendment to the Aeronautics Act.

On its face, Bill S-33 provides a significant extension of the objects and purposes of the minister and the Department of National Defence. The creation of a new military body with these broad investigatory powers, including compelling civilians involved in accidents to submit to medical exams and physicians to provide information about a patient, seems to go well beyond what is currently permissible in the military.

This is interesting material for debate, but for the purposes of immediate discussion, the fact that the minister and the department are being vested with new powers is critical to a determination of whether a Royal Recommendation is required. In this context, I wish to quote from a May 17, 2005, news release issued by the Minister of Transport at the time of the introduction of this bill:

A new part is being proposed in the act to provide the Canadian Forces Airworthiness Investigative Authority with new powers and duties to carry out flight safety investigations that may involve civilians in military aviation accidents or incidents. These new powers and duties would be comparable to those exercised by Transportation Safety Board investigators examining civilian accidents.

The news release goes on to quote the Minister of National Defence as saying:

The new powers will permit them to conduct more comprehensive investigations in order to ensure the safety of military personnel and civilians involved in military aviation.

There is little doubt that Bill S-33 does endow the military with new powers, new authorities, new purposes and new functions. Unfortunately, those are things that incur new costs and consequently require a Royal Recommendation. As I said at the outset, I am hopeful that we will be able to negotiate this path successfully and provide the Senate with greater latitude for the future introduction of bills with much greater scope than has previously been the case.

Honourable senators, my fear is that the government is trundling down a well-marked path, heading in a direction where many have gone before, only to find that the minor stumbling block of the missing Royal Recommendation is in fact an insurmountable mountain.

The Hon. the Speaker: Honourable senators, I said that I would see Senator Cools next, but I normally would alternate. With your understanding, I will go to the government side and then the opposition side.

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, obviously the government did not think this was a money bill. Otherwise, the government would not have introduced it in the Senate. That is the position of the government. I think there is adequate precedent for His Honour to rule on this matter, and we would be quite happy to abide by a ruling on the matter.

Hon. Anne C. Cools: Honourable senators, I am having considerable difficulty here because the debate began with Senator Tkachuk raising a point of order, and then the Leader of the Government of Senate asked for, I believe, a day to be able to respond to the point of order. I would like the house to settle that question first. If Senator Austin is granted that request, and I do not know who would be the person or the persons to grant it, then I would certainly want to delay my remarks until then, when he speaks. As far as I understand, points of order are supposed to be done relatively spontaneously and are supposed to be handled, resolved and adjudicated immediately. I would like that question dealt with before I add anything else to the debate.

The Hon. the Speaker: Honourable senators, a question has been put to me. I do point out that debate is not in order in dealing with questions of privilege or questions of order. It is an opportunity to raise whether we are proceeding in accordance with our rules or those that we incorporate by reference, which have been referred to in this point of order already, usually contained in a text such as Beauchesne's and Erskine May.

I did hear Senator Austin's comment, and I will determine at the end of the interventions on the point of order how I will respond to him. At this time, I would advise honourable senators that if they have anything to say on this matter, it would be prudent to do so now.

Senator Cools: Honourable senators, I find this manner of proceeding quite irregular and extraordinary. What His Honour is asking senators to do is to speak now and allow the government to have the last word at a later date. I find that extremely irregular and improper. My understanding is that it is not the decision of the Speaker as to whether or not any senator or the Leader of the Government can essentially adjourn the debate on a point of order. Senator Austin is proposing that he be allowed to adjourn the debate to another day. I would submit that if Senator Austin can adjourn the debate to another day, so can I and so can every other senator. If it is the pleasure of this house to grant such an adjournment and should it be granted, then everyone else may be allowed to speak on another day.

• (1510)

I do not quite understand the admonition of the Honourable Speaker, who has said that those who wish to speak should speak now and that we will hear later today, perhaps, whether Senator Austin will be allowed to speak at a later date. Therefore, we must speak now, but Senator Austin might be allowed to speak later. I find that to be repugnant. What just went on is so improper as to insult and be disrespectful to every honourable senator left sitting in the chamber.

The Hon. the Speaker: Honourable senators, sharp and taxing language is not something that —

**Senator Cools:** The Speaker is out of order. The Speaker cannot cut someone off just like that.

Senator Robichaud: Order!

Senator Cools: The Speaker is out of order.

Senator Rompkey: The Speaker is standing.

The Hon. the Speaker: Honourable senators, may I have order, please.

Senator Cools: I am not out of order, you are, Your Honour.

The Hon. the Speaker: Order, please.

Hon. Senators: Shame, shame!

Senator Cools: You government senators should bury your heads in shame for what you have done to the system.

The Hon. the Speaker: May I have order, please. I am drawing to your attention the provisions of our rules that it is not appropriate to use sharp or taxing language in any matter, whether discussing a question of order or in any matter of debate. I raise that provision because it seems to me that if we are not entering into that area, we are certainly bordering on it.

Senator Cools: I would like to say, honourable senators, that I have not used any sharp or taxing language. I would also like to add it is neither habit nor practice of mine to use such language. Go find it. You cannot find it. The term "repugnant" is extremely parliamentary, my dear Senator Smith, and very much in order.

Honourable senators, the issue before us is whether Bill S-33 has received a Royal Recommendation and whether the absence of such a Royal Recommendation is a bar to it proceeding in this chamber. This question has been put into the *Rules of the Senate*. Things just appear in the *Rules of the Senate*. God knows how they get there, but they just appear. Some of them are indeed very strange and questionable.

Rule 81 states clearly:

The Senate shall not proceed upon a bill appropriating public money that has not within the knowledge of the Senate been recommended by the Queen's representative.

We would assume that "the knowledge of the Senate" would mean that it is not recorded on the bill in the usual place and that the bill has been royally recommended.

Honourable senators, I would submit that Senator Tkachuk's point of order is valid and deserving of support. His point of order is a true point of order and speaks to very vital constitutional concerns that should preoccupy our minds.

It also speaks in a special way to the Constitution of the Senate of Canada. We must remember that when the Senate of Canada was constituted by the British North America Act of 1867, it was given wider and larger powers than the House of Lords in respect to "financial legislation." It was the intention of the BNA Act to give those wider powers, particularly in consideration of the federal nature of Canada and because Canada was a confederacy and not a unitary state.

I would like the record to show very clearly that the term "money bill" is not really helpful in the Constitution of Canada. The term "money bill" is reserved to U.K. practice and also was

created by the Parliament Act of 1911. Quite often we confuse ourselves and confuse others when we use these terms loosely, because it can be argued that every single bill has something to do with money.

The fact of the matter is that in creating the Senate and the House of Commons, the BNA Act speaks directly to the matter that Senator Tkachuk has raised. Section 53 and 54 are the two relevant sections. Section 53 states:

Bills for appropriating any Part of the Public Revenue or for imposing any Tax or Impost shall originate in the House of Commons.

Section 53 of the BNA Act is beyond question. It is incontrovertible and very clear. It is crystal clear that Bill S-33 does not originate in the House of Commons.

Section 54 of the BNA Act speaks to the question of a Royal Recommendation and states:

It shall not be lawful for the House of Commons to adopt or pass any Vote, Resolution, Address, or Bill for the Appropriation of any Part of the Public Revenue, or of any Tax or Impost, to any Purpose that has not been first recommended to that House by Message of the Governor General in the Session in which such Vote, Resolution, Address, or Bill is proposed.

Honourable senators, these two sections of the BNA Act are extremely important because they were thought to resolve the conflicts, constitutional differences and problems that the House of Commons and the House of Lords had encountered in the U.K. These two sections were intended to settle a lot of that constitutional unrest, for lack of a better word.

Therefore, we come to the central fact that, as Senator Tkachuk and Senator Stratton have articulated, Bill S-33 is fairly clear in the commands and the authorities that it gives to ministers to spend money. It authorizes appropriations and allows the minister of that particular department to make withdrawals on the Consolidated Revenue Fund. It is my opinion that this bill requires a Royal Recommendation.

I would like to close on the phenomenon of the Royal Recommendation. Quite often these words are thrown around and so often they are greatly misunderstood.

• (1520)

We must remember the great settlement of the English revolution or the constitutional settlement, so to speak. That upshot of that period of unrest was that the king, the sovereign, was not to engage in expenditure of taxpayers' dollars without the consent of the lower house of Parliament, the Commons. To that extent, we have moved ahead. We have enshrined the financial initiatives of the Crown within the BNA Act. Such initiatives should be moved by ministers, and always in the House of Commons. These are now called the financial initiatives of the Crown, and in addition we have the whole phenomenon of representation and taxation.

Senator Tkachuk has raised a valid point of order. It is a very meaningful point of order, and it deserves serious and proper consideration. This is a matter, honourable senators, that has bedevilled this chamber for quite some time, and we have had many honourable senators in the past study these matters. Some were themselves great authorities. Quite often we refer to reference books as the authorities, but the parliamentary authorities have always been those individuals in the Houses of Parliament who have studied the precedents and know the issues. At best, Beauchesne and Erskine May are reference books. Sir Robert Maxwell Hyslop in England made a large issue of that in the U.K. House of Commons.

It is clear to me that this bill should have begun in the other place and should be accompanied by a Royal Recommendation. We can look to some studies of the Senate National Finance Committee on this matter. I sat as a member of that committee during the years of the leadership of Senator Stewart, when we studied these particular questions.

In closing, we cannot raise a point of order on a point of order, but I would like the Senate chamber to address the question as to what the conditions are under which debate may be postponed on points of order. If it can be postponed, for one, and if there is a rationale and a reason, we all want to know.

The Hon. the Speaker: We will deal with these matters. I think I have your point, Senator Cools.

I will go to Senator Tkachuk, as it is his point of order. Does any other honourable senators wish to comment? If not, do you wish to comment, Senator Tkachuk?

Senator Tkachuk: Honourable senators, I would like a minute first. I was not about to close, but I noticed something else after I spoke where I quoted proposed section 5.82. The subsection that I quoted was "The Minister shall pay" which is to clear the brush around the airport, so the minister has to dispense money. Then there is a proposed subsection concerning the operator of the airport. This is proposed section 5.82(3).

The operator of the airport shall reimburse the Minister for every expense that the Minister incurs under subsection (2).

That means that the operator of the airport would be returning the money to the Receiver General and the Consolidated Revenue Fund. If the operator of the airport is paying back the money, obviously the money would have to be spent by the minister in the first place.

The Hon. the Speaker: I thank honourable senators for their input on Senator Tkachuk's point of order. It is a matter we have addressed on previous occasions, and of course there were references to previous rulings as well as to the authorities. I will take the matter under advisement and bring back a ruling as quickly as I can.

The matter of disposition or input on a point of order has been raised by Senator Austin's question, and Senator Cools has also raised it in her comments. I do repeat that debate is not in order in terms of dealing with a point of order or a point of privilege. Our operative rule is rule 18(3).

When the Speaker has been asked to decide any question of privilege or point of order he or she shall determine when sufficient argument has been adduced to decide the matter, whereupon the Speaker shall so indicate to the Senate, and continue with the item of business which had been interrupted or proceed to the next item of business, as the case may be.

In this case, I advise that I have heard enough. There were a number of authorities quoted, and I do appreciate Senator Austin's comment, but I have heard enough to proceed with a determination of whether or not there is a point of order, and I will bring back a ruling as quickly as I can.

#### BUSINESS OF THE SENATE

The Hon. The Speaker: Honourable senators, I am rising because the Order Paper as distributed contains an error. The error is the reference to the eleventh and twelfth reports of the Standing Senate Committee on National Finance having been combined and shown under Other Business. They should be shown under Reports of Committees.

Therefore, I will ask the table to now call the two reports by the National Finance Committee, tabled in the Senate on May 19, 2005, which deal with the Main Estimates 2005-06. As I said, these reports were inadvertently placed on the Order Paper under Other Business.

Hon. John Lynch-Staunton: Could I have clarification? I understood you to say that it should go under one rubric, and I think it is already under that rubric, Reports of Committees.

The Hon. the Speaker: I will have to ask Senator Lynch-Staunton for a copy. I only have the Speaker's scroll.

Senator Lynch-Staunton: It is under Reports of Committees right now.

The Hon. the Speaker: We have just completed Bills under Government Business, and we are now at Reports of Committees under Government Business. You will see on the published Order Paper, which has been distributed to all honourable senators, that we show this item on page 5 running on to page 6 under Reports of Committees under the heading of Other Business. These should be Reports of Committees under Government Business. They were incorrectly put under Other Business on the Order Paper. That took them out of the category of Government Business, and so I am rising at the request of the table to make a correction and to indicate that they were erroneously included under Other Business on pages 5 and 6 of the Order Paper.

• (1530)

Hon. Anne C. Cools: His Honour has told the chamber, at the request of the table, that there is a mistake in today's Order Paper, and that consideration of the report of the Standing Senate Committee on National Finance should have been listed under Government Business. However, I am afraid there is an additional mistake. If it was the intention that the item be listed under Government Business, the report would not have been tabled. Perhaps we could see what the chairman said at the time to learn what his intention was.

Under Reports of Committees it says:

Consideration of the eleventh report (second interim) of the Standing Senate Committee on National Finance (2005-2006 Main Estimates—Foundations), tabled in the Senate on May 19, 2005.—(Honourable Senator Oliver)

If Senator Oliver had in fact tabled that report, it would not have shown up under Government Business. As a matter of fact, it would not have come forward for consideration at all.

His Honour is trying to be helpful, but he may be adding to the confusion.

Perhaps I should raise this as a point of order. There is something unusual happening here.

If an error has been made, the Leader of the Government can rise in his place and ask for the agreement of the house to make a correction to the record or to the Order Paper rather than having His Honour rise do it on his own initiative.

Perhaps Senator Rompkey can clarify this. When the report was brought to the chamber, was it presented or tabled?

Hon. Bill Rompkey (Deputy Leader of the Government): My understanding, on advice from the table, is that these orders should have been placed under Government Business but were erroneously placed under Reports of Committees. These reports deal with government business as they are on the Main Estimates. Therefore, we should deal with them under Government Business.

However, Senator Cools makes a good suggestion. If it would be helpful, I would ask leave that these two reports be included under Government Business and that we debate them as such.

Senator Tkachuk: Is Senator Rompkey asking for leave?

The Hon. the Speaker: Do honourable senators wish to proceed by leave or do they wish to proceed as we have been?

Senator Cools: I have made a suggestion. Someone has made a mistake, be it the table, Senator Oliver, the printers or the reporting staff. I have said, and Senator Rompkey seems to like the idea, that it is far better for the leaders of the government in the Senate to address the chamber and ask for the necessary corrections or remedies than causing the Speaker to deal with this on behalf of the government.

I have a strong opinion of the proper constitutional role of the Speaker of the Senate, and I would like us to abide by that role. Perhaps someone could look at the *Debates of the Senate* of last Thursday to see what the intention of the chairman of the committee was when he brought the report to the chamber. Was it his intention that the report be tabled or was it his intention that it come forward for consideration under Government Business today?

This matter can be sorted out very easily.

Senator Lynch-Staunton: The answer can be found on page 933 of the Journals of the Senate dated May 19, 2005. It is there indicated that Senator Oliver moved, seconded by the Honourable Senator Comeau, that each report be placed on the Orders of the Day for consideration at the next sitting. Therefore, they are properly before us under the Orders of the Day. The question is under what rubric they should be before us. The argument is that they should be under Government Business because they speak to the Main Estimates. It is a technical argument and I do not see why we should spend more time on it.

Senator Rompkey: Senator Lynch-Staunton's remarks are eminently sensible, as is Senator Cools' suggestion. I ask for leave that we follow her suggestion. Senator Cools is quite right that the Senate is the master of its proceedings. If the Senate agrees to put it under Government Business, that is what we will do.

As Senator Lynch-Staunton said, this is a technical matter and we need not spend more time discussing it.

The Hon. the Speaker: I think we are ready to dispose of the matter.

Senator Cools: We are not quite ready.

The Hon. the Speaker: I gather we have agreed to proceed by way of leave, as Senator Cools suggested.

**Senator Cools:** That is the point to be determined. The house is its own master.

An Hon. Senator: The Speaker is standing.

Senator Cools: He should not be standing.

The Hon. the Speaker: I have the sense of the exchange. I gather that the house wishes to proceed by way of leave.

Is leave granted to include under Government Business the eleventh and twelfth reports of the Standing Senate Committee on National Finance?

Some Hon. Senators: Agreed.

Senator Cools: No.

The Hon. the Speaker: Leave is not granted. Do honourable senators wish a ruling on this?

**Senator Rompkey:** I thought we were proceeding on Senator Cools' suggestion that we seek leave to deal with this matter.

**Senator Cools:** I was speaking, and the Speaker cut me off. One does not cut someone off and then ask their permission to grant leave. That is not done.

We can make this an exception, but when something such as this happens, is it properly resolved by leave? Leave, after all, is to suspend a rule. The question is whether we should proceed by leave or by way of a motion. There is no doubt that there is agreement to proceed. The question is, how should we proceed? To some people, this seems to be splitting hairs. I say it is not. I say it is a matter of the constitutional usage of this place.

It is clear that senators want to move on and deal with the item. I am not convinced that substantive matters should be dealt with by unanimous consent, but rather should proceed by motion.

The Hon. the Speaker: Honourable senators, items of government business are included under Reports of Committees. I am satisfied that they are there in error. It was suggested by the table that I point that out before we proceed. A question has been raised as to the orderliness of that, which I take as a question of order, which allows the Speaker to rule.

My ruling is that these matters were included under Reports of Committees in error. They are clearly matters of government business. They deal with the Main Estimates and should be included under Government Business. They are now so included and can be called.

Hon. Donald H. Oliver: Honourable senators, before proceeding to this item, it has been suggested that, since this order was not on the Order Paper under Government Business, I would be in error if I did not give 24 hours notice before dealing with it. I would ask for clarification of that rule.

• (1540)

The Hon. the Speaker: Those honourable senators who have examined the Order Paper appreciate that the eleventh report of the Finance Committee deals with the estimates.

I rule that proper notice has been given. The reports are on the Order Paper and because they deal with the estimates, they are Government Business. An error has been made in printing the Order Paper placing them under Other Business. It is an error and it is correctible by simply noting the error and proceeding to place the reports under Government Business.

Honourable senators may wish to stand or adjourn the matter. In any event, we are properly on the item Reports of Committees under Government Business, the report of the Finance Committee on its eleventh report.

Senator Rompkey: Honourable senators, we feel that notice was given of this item; it is on the Order Paper. Therefore, there is no difficulty with notice. We would be happy to hear Senator Oliver today and then perhaps take the adjournment so that Senator Day may speak when he is available.

Senator Lynch-Staunton: The only disadvantage to that suggestion is that this matter has been moved forward. Some honourable senators who perhaps wanted to speak to it or to listen to Senator Oliver later this day would be to surprised to find out that the matter was given priority. Maybe that case does not exist. I do not like moving things around on the Order Paper without senators being alerted ahead of time that an item that may have been thought to be addressed later had already been called or vice versa.

Senator Rompkey: That is a good point. However, there was little intervening, as far as I can tell, between Government Business and Reports of Committees. This was the next item. The point is valid, but I do not think it should be a concern in this case.

#### THE ESTIMATES, 2005-06

# SECOND INTERIM REPORT OF NATIONAL FINANCE COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the eleventh report (second interim) of the Standing Senate Committee on National Finance (2005-2006 Main Estimates—Foundations), tabled in the Senate on May 19, 2005.—(Honourable Senator Oliver)

Hon. Donald H. Oliver moved the adoption of the report.

He said: Honourable senators, you now have before you the report of the Standing Senate Committee on National Finance on foundations. This report sums up the committee's work on this issue between June 2002 and May 2005. During this period, we held nine meetings and heard 17 witnesses. These hearings allowed the committee to review thoroughly the April 2002 and the February 2005 reports of the Auditor General of Canada on the accountability of foundations. We also examined the progress being made by the federal government in addressing the accounting and accountability concerns raised by foundations.

The committee heard from the Auditor General, Ms. Sheila Fraser, on three different occasions. The Secretary of State for International Financial Institutions and the Comptroller General of Canada also appeared before the committee. We also received evidence from officials from the Department of Finance and Industry Canada. Moreover, over the past year, the committee invited representatives of three different foundations to provide information about their operations and to express their views on the accountability issues raised by the Auditor General. We had very good meetings at which we received full and courteous replies to senators' questions.

I will not take too much of your time, honourable senators, but I would like to share with you some of the observations and recommendations contained in the committee's report on foundations.

Since 1997, the federal government has been increasingly using foundations. These are independent, private, not-for-profit organizations that use up-front government endowment funding and arm's length boards of directors made up of

expert individuals. Between 1996-97 and 2004-05, the federal government has transferred some \$10.5 billion to 23 foundations. Only four of these foundations were established through legislation. The other 19 were established under the Canada Corporations Act.

Honourable senators, the up-front federal endowment and the interest earned on investments enable the foundations to fund eligible beneficiaries and projects over several years. This up-front endowment is managed in accordance with funding agreements that are entered into between the foundations and the federal government through the responsible or sponsoring minister. A number of funding agreements require that a foundation's endowment, together with future investment revenue, be committed over a specific period. This is the case, for example, with the Canada Foundation for Innovation, which must commit all of its funds by the December 31, 2010. Other funding agreements, such as the Pierre Elliott Trudeau Foundation, require that the endowment be maintained in perpetuity, with only the investment revenue being used.

Funding agreements also contain several requirements that cover areas such as the purpose of the federal assistance; the expected results to be achieved from the specific foundation investment; the reporting, audit, evaluation and accountability requirements; prudent investment vehicles; dispute resolution mechanisms; and transparency, code of conduct and official languages requirements.

The legislation and/or funding agreement that creates a foundation also contains specific governance provisions. Foundations are managed by an independent board of directors whose members may, in some cases, have been appointed by the federal government. These boards of directors are supported in their day-to-day operations by a small staff. Funding decisions rest with the board of directors and are based on recommendations of expert peer review panels. In many cases, funding from other governments and the private sector must be secured before the project can proceed.

Honourable senators, the federal government believes that the foundation's arm's length nature, financial stability and focused expertise allow them to deliver public policy in an effective, non-partisan manner. However, the Auditor General has expressed the concern that foundations do not meet the essential requirements for accountability to Parliament. These requirements include: the credible report of results; effective ministerial oversight; and adequate audit and evaluation framework. Ms. Fraser also raised questions about how the government accounts for the transfer of funds to foundations in its own books.

In her 2002 report, the Auditor General stressed the importance of keeping Parliament informed about the activities of foundations and their use of federal funds. She indicated that this information should be reported in the corporate plans and annual reports, and that evaluation findings on the overall performance of the foundation should be tabled in Parliament.

To address these concerns, the federal government announced in its 2003 Budget Plan a number of measures aimed at strengthening the transparency of foundations to Parliament and to the public at large. In her 2005 report, Ms. Fraser noted that satisfactory process has been made by the federal government in that area. However, during her appearance before our committee last February, it was noted that only the sponsoring ministers of the legislative foundations are required to table information to foundations.

The committee believes that additional progress can be made in the reporting by sponsoring ministers and that all annual reports, summaries and corporate plans of foundations should be tabled to Parliament. We also believe that foundations should provide better information on results achieved. Accordingly, in our report tabled in the Senate, we recommend that sponsoring ministers table in Parliament the corporate plans or summaries and the annual reports of foundations in a timely manner. We also recommend that, in consultation with the foundations, the sponsoring departments encourage them to include meaningful information on results in their plans and reports.

In her 2002 report and again in her 2005 report, the Auditor General expressed concern about the lack of ministerial oversight of foundations. In particular, no provisions currently exist whereby the federal government can act if there is a shift in policy direction, a change in government or a change in a government's fiscal position. There is a fear that foundations could, therefore, end up working at cross purposes to general government policy.

#### • (1550)

The Finance Committee concurs with Ms. Fraser's concern about the lack of a mechanism for ministerial intervention in situations where fiscal and/or political circumstances change. For this reason, the committee recommends that an adjustment mechanism be put in place to allow sponsoring ministers to intervene in cases where circumstances have changed considerably since the creation of foundations for which they have been responsible. As honourable senators will recall, Ms. Fraser repeatedly suggested that the Auditor General of Canada be appointed the external auditor of foundations. She insisted that her office be responsible for performance audits of foundations. In its initial response, the federal government stated that having the Auditor General as external auditor of foundations "could undermine the independence of foundations, reduce their operational flexibility and organizational effectiveness and thereby reduce their usefulness in achieving the government's policy objectives."

Then, the federal government changed its position with the tabling of Bill C-43, the Budget Implementation Act, 2005. More precisely, Part 7 of the bill includes provisions that would amend the Financial Administration Act and the Auditor General Act. Bill C-43, now in the other place, would effectively expand the Auditor General's mandate over certain foundations, namely those that have received, in any five consecutive years, \$100 million or more from the federal government. The Office of the Auditor General of Canada would have access to those foundations for the purpose of carrying out both performance and compliance audits. Results of audit work in foundations would form part of the Auditor General's reports to Parliament.

The committee believes that the proposed changes will significantly improve the accountability framework of foundations. Moreover, the tabling of reports on compliance and performance audits of foundations by the Auditor General of Canada will enhance considerably the reporting of information on foundations to the Parliament of Canada.

With respect to the evaluation regimes of foundations, most funding agreements require that periodic evaluations of foundations be undertaken. The foundations set out their own terms of reference for evaluations. Similarly, most sponsoring departments are required to perform evaluations of their respective foundations. In this case, however, departments must follow the standards set out in the Treasury Board Evaluation Policy. In her 2005 report, the Auditor General stressed that standards comparable to those of Treasury Board policy should be used by foundations.

Honourable senators, the Finance Committee supports this recommendation. The committee believes that this practice can further strengthen the accountability framework for foundations. It will also ensure that the cost and effectiveness of foundations are assessed according to a common set of standards. For these reasons, the committee recommends in its report that the federal government seek every opportunity to persuade all existing foundations to incorporate into their evaluation framework the standards set out in the Treasury Board Evaluation Policy, when commissioning independent evaluations.

Honourable senators, since 1997-98, the Auditor General's observations on the federal government's summary financial statements in the Public Accounts of Canada have raised concerns about how the government accounts for the transfer of funds to foundations. The concerns focus on the fact that the federal government has already recorded these transfers as expenses of the Government of Canada, although the foundations do not expect to use the funds for many years. Data from the Office of the Auditor General indicate that as of March 31, 2004, some \$7.7 billion of a total \$9.1 billion transferred to 15 foundations was still in the bank accounts of the foundations as investments earning interest. The money had not been spent but had been expensed 100 per cent by the Government of Canada.

Ms. Fraser suggested that such accounting treatment of transfers to foundations has resulted in a reduction of the reported annual fiscal surplus in the year that the funds were transferred to foundations. However, she could not state unequivocally that this accounting practice contravenes the standards established by the Public Sector Accounting Board, PSAB, of the Canadian Institute of Chartered Accountants. Ms. Fraser informed the Finance Committee that the PSAB recently issued a new accounting standard entitled Government Reporting Entity, which will have to be implemented for 2005-06. This standard states that the government reporting entity should comprise all organizations that are controlled by the government. The fundamental question is whether provisions of the legislation establishing some foundations, or the funding agreements with some foundations, give the federal government control as envisioned by this new accounting standard. Obviously, the

determination of the fact that government control exists requires the assessment of professional judgment. The Finance Committee also learned that the PSAB is working on another project that seeks guidance on accounting for government transfer payments, including multi-year funding of the kind used for foundations. However, this project is still at an early stage. The issue has been highly controversial, and consensus within the government accounting community throughout Canada at all levels of government has remained elusive.

The committee was pleased to hear that the Office of the Comptroller General is in discussions with the Auditor General of Canada on the whole issue of accounting for federal transfers to foundations, and remains a work in progress. The committee understands that accounting issues often boil down to differences of interpretation. The report stresses, however, that these accounting issues have been raised for a number of years by the Auditor General and dealt with in the Senate National Finance Committee. It is the hope of the committee that these issues can be resolved in a timely manner. The committee believes that Parliament should be kept informed of the progress of the discussions over the accounting of federal transfers to foundations, as well as any new development related to the two projects of the Public Sector Accounting Board. The report recommends that the Office of the Comptroller General and the Office of the Auditor General pursue their discussions and prepare a report that details their progress in clarifying the PSAB guidance concerning the accounting treatment of federal transfers to foundations. The report also recommends that this report be tabled in Parliament.

Honourable senators, the Treasury Board Secretariat is responsible for the federal government's Policy on Transfer Payments. This policy requires all departments to report to Parliament on transfer payments that exceed \$5 million. The policy also states that transfer payments should not be made in advance of need. In her 2002 report, the Auditor General noted that foundations are exempted from the policy's provisions against making payments in advance of need. In both her 2002 and 2005 reports, Ms. Fraser recommended that the use of exemptions to the transfer payment policy be reviewed.

The Finance Committee is concerned by the application of the transfer payment policy to foundations. As I mentioned earlier, honourable senators, the federal government transferred some \$10.5 billion to 23 foundations between 1996-97 and 2004-05. In order to transfer those funds to foundations in advance of need, the federal government had to seek exemptions from Treasury Board policy. The rationale behind the exemptions is unclear. The committee's report recommends that a review of the use of such exemptions be undertaken and that the findings of the review be reported to Parliament.

The Hon. the Speaker: The honourable senator's time has expired.

Senator Oliver: Honourable senators, I request leave to continue for five or six minutes.

The Hon, the Speaker: Is leave granted, honourable senators?

#### Hon. Bill Rompkey (Deputy Leader of the Government): Yes.

Senator Oliver: Over the years, the Treasury Board Secretariat has developed a comprehensive database on foundations. When Ms. Fraser appeared before the Senate Finance Committee last February, she indicated that this database could be useful for undertaking a government-wide evaluation of foundations. In her view, this evaluation should assess the advantages and disadvantages of foundations vis-à-vis other traditional delivery mechanisms such as granting councils.

The committee concurs with the Auditor General that a government-wide evaluation of foundations should be initiated. The committee believes that the outcomes of such an evaluation would provide highly useful information to parliamentarians, who must vote on the creation and funding of new foundations, as well as on funding increases to existing foundations.

#### • (1600)

Accordingly, in its report, the committee recommends that the Treasury Board Secretariat undertake an evaluation of foundations, which should include the appropriateness of the use of foundations, what they cost and how effective they have been. We also recommend that the results of the evaluation be reported to Parliament.

Honourable senators, as I mentioned earlier, only four out of 23 foundations were created by legislation. Parliament specifically reviewed and debated the accountability and governance arrangements for these foundations as part of the legislation for them. This included requirements for auditing, for evaluation and reporting to Parliament through the responsible minister.

In contrast, the other 19 foundations that were not established by legislation were established by cabinet under the Canada Corporations Act. Their accountability and governance arrangements are found in the funding agreements that were entered into between these foundations and their sponsoring ministers. These funding agreements, however, were not tabled in Parliament. Therefore, parliamentarians had little opportunity to debate the objectives, organizational structure, reporting requirements and level of funding of those foundations.

The committee is concerned that Parliament was not given the ability to examine in detail and debate openly the creation of the vast majority of the foundations. We believe that Parliament should have a greater role in the determination of accountability and governance arrangements of all foundations and, accordingly, our report recommends that the federal government seek parliamentary review of any proposed funding agreement for new foundations or proposals for changes to existing foundations.

Honourable senators, the accountability of, and the accounting of federal transfers to foundations have been issues of particular interest to the Standing Senate Committee on National Finance for a number of years now. We have reviewed carefully the 2002 and 2005 audits of the Office of the Auditor General on foundations and examined progress by the federal government

in this area. The recommendations contained in our report will ensure sound accountability of the federal government's created foundations.

The committee's interest in the accounting and accountability issues of the foundations is ongoing. Let me assure you, honourable senators, that we intend to monitor the progress of the federal government in this area and to comment further as we deem necessary.

Honourable senators, in closing, I would move that if this report is adopted, pursuant to rule 131(2), found at page 109 of the *Rules of the Senate*, the Senate requests a complete and detailed response from the government, with the President of the Treasury Board and the Minister of Finance being identified as ministers responsible for responding to this report.

The Hon. the Speaker: Is leave granted, honourable senators, for that Notice of Motion to be given now?

#### Hon. Anne C. Cools: No.

Senator Rompkey: I was about to move adjournment of the debate.

Senator Cools: It is not in order. That motion was without notice.

The Hon. the Speaker: I would like to clarify, honourable senators, that you may proceed as you have indicated. However, you must proceed under Notices of Motion, which you can do tomorrow.

On motion of Senator Rompkey, for Senator Day, debate adjourned.

# THIRD INTERIM REPORT OF NATIONAL FINANCE COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the twelfth report (third interim) of the Standing Senate Committee on National Finance (2005-2006 Main Estimates—Officers of Parliament), tabled in the Senate on May 19, 2005.—(Honourable Senator Oliver)

## Hon. Donald H. Oliver moved the adoption of the report.

He said: Honourable senators, you now have before you the third interim report on the Main Estimates 2005-06 of the Standing Senate Committee on National Finance, which deals with the subjects of the Officers of Parliament. Honourable senators may recall that this report on the Officers of Parliament was promised in the committee's first interim report of the Main Estimates 2005-06. At that time, it was noted that a recurring theme among Officers of Parliament who appeared as witnesses before the committee was the difficulty that they experienced in attempting to set a budget to carry out the responsibilities assigned to them by Parliament.

This report on the Officers of Parliament sums up the committee's work, begun in the 2004-05 fiscal period and completed in the current fiscal year. As honourable senators

may know, the title "Officer of Parliament" is not defined in any statute or any parliamentary publication. Different parliamentary committees and academic commentators, at one time or another, have associated the position with that of several parliamentary staff positions and organizations that serve Parliament. While there is no overall agreement on who should be included in the list of Officers of Parliament, the overlap usually encompasses the five officers whose estimates were examined by the Standing Senate Committee on National Finance. This group comprises a set of organizations that, while enjoying some freedom from the government, both serve Parliament and protect the public.

Honourable senators, during its examination of these estimates, the Standing Senate Committee on National Finance reviewed and discussed the expenditure plans of five Officers of Parliament. These were: the Office of the Auditor General, the Office of the Chief Electoral Officer, the Office of the Privacy Commissioner, the Office of the Information Commissioner, and the Office of the Commissioner of Official Languages.

Honourable senators will recall that while the Standing Senate Committee on National Finance is interested in many aspects of the organizations whose estimates are under its purview, its focus often remains on planned spending of organizations. With respect to the Officers of Parliament, the committee was interested in the process that determines the annual level of funding available in the estimates for these five officers that we examined. While each officer experiences different specific problems, there were similarities in their budget determination process that the committee wished to highlight in this report. In particular, the committee is concerned that this process by which their budgets are determined may no longer be appropriate for the role they are required to fulfil as Officers of Parliament.

The perceived risk in the current process as it pertains to Officers of Parliament is that a government may undermine the independence of parliamentary organizations by under-funding their activities. This sentiment was expressed clearly by the Auditor General, who said that she believes:

...that an appropriate funding level must be determined in an objective manner that is not influenced by those whom we audit. The existing process for determining our funding level is not sufficiently independent and impartial to ensure that our budget is appropriate for meeting Parliament's expectations.

She added further that:

As a matter of principle, I believe that this situation should be corrected so that there is no possibility of influence, real or perceived.

Honourable senators, the Auditor General was not alone in voicing this concern. The Honourable John Reid, the Information Commissioner, summed up the situation well when he stated:

I think there is a real problem in terms of the way in which parliamentary officers are funded. It is a very difficult proposition, I believe, for the government itself to deal with

this sort of a hybrid organization that is, in a sense, part of the civil service and yet has no reporting responsibilities to the civil service. There has to be a considerable amount of thinking about how these officers are to be financed in the future.

During our hearings, the committee entertained a number of suggestions on how the budget determination process for Officers of Parliament might be reformed. Honourable senators, let me outline two possible approaches. The first suggestion would see the Officers of Parliament prepare their budget proposals for consideration by the Speakers of the House of Commons and the Senate. These proposed spending plans would then be subjected to a review by specific committees of Parliament. The proposed budget would then be forwarded to the Treasury Board for inclusion into the estimates. The overarching argument would be that Parliament — not the executive, but Parliament — should be responsible for approving the funding of its officers.

A second suggestion involved the setting up a panel of experts to determine the appropriate level of funding for each Officer of Parliament. One presumes that these experts, or so-called "blue ribbon panel members," would be familiar with the workings and responsibilities of the Officers of Parliament for whom they are required to set a budget.

• (1610)

Finally, it was suggested that a model similar to that used for the Senate Ethics Officer and the House of Commons Ethics Commissioner be used. This approach required that the Speakers of the Senate and of the House of Commons respectively examine the estimates. They then transmit their recommendations to the President of the Treasury Board who presents these estimates to the House of Commons as part of the overall estimates. He does not change them but presents them as part of the overall estimates.

Honourable senators, all three approaches have some merit. In the end, the issue is how to establish a balance between the independence of their office and retain some accountability for the expenditure of public funds.

In its deliberations, the committee concluded that there is merit to the concerns of the Officers of Parliament that their budgets need to be reformed. Although the committee places a low probability on the prospect of a government deliberately underfunding the Officers of Parliament, it believes the appearance of such a situation should be avoided.

The committee was also concerned by the claim of the Information Commissioner that as a result of budget constraints imposed by the Treasury Board his investigation staff did not have time for such things as research and training. In the view of the committee, this is extremely worrisome because it could lead to errors in judgment on the part of the staff of the Information Commissioner, with serious consequences for government activities. In the view of the committee, it is imperative that decisions of parliamentary organizations be carried out at a high level of competence to ensure these decisions are not detrimental to Canada and to Canadians as a whole.

However, honourable senators will agree that Parliament and Canadians have a right to know that their government is behaving correctly. Government cannot operate in a cloud of secrecy. This is the basic function of the Officers of Parliament. This task takes on even greater importance as those Officers of Parliament try to protect people's privacy, their language and electoral rights, and ensure accountability in the spending of public funds. If Parliament does not have proper funding for parliamentary officers, the country might find itself in a situation where decisions are contrary to its self-interest. Therefore, it is important that the Officers of Parliament be adequately funded not only in the interests of its citizens but that of the government.

Honourable senators, after weighing these and other concerns, the Standing Senate Committee on National Finance has decided to make three recommendations. First, given that the Officers of Parliament have indicated that there are serious difficulties with the way that their budgets are set, and given that Officers of Parliament serve and report to Parliament, it would be appropriate for parliamentarians to be more actively involved in the preparation of the budget proposals that the officers will submit to the Treasury Board. Specifically, the committee recommends that:

The process of determining the budgets of the Officers of Parliament actively involve Parliamentarians through the Speakers of each House and an administrative committee before the budgets are submitted to the Treasury Board for inclusion in the Estimates.

Second, the committee observed that there are considerable differences in the ways that Officers of Parliament are appointed or removed from office. The committee believes that the inconsistencies in the appointment and removal process for Officers of Parliament should be reconciled. It is also our view that parliamentarians should be involved in the process of recruiting, approving and removing Officers of Parliament. Therefore, the committee recommends that:

The appointment process for all Officers of Parliament be reviewed and streamlined and that Parliament be more engaged in their recruitment, approval and removal.

Finally, honourable senators, the Officers of Parliament expressed gratitude for the opportunity to share with senators their views and concerns regarding the many aspects of their work. The committee believes that the Officers of Parliament should be able to discuss their work with senators on a more regular basis. One Officer of Parliament had never been called before a Senate committee. It was the first time. Therefore, the committee recommends that:

The Senate consider revising its Rules in order to refer all reports of the Officers of Parliament to an appropriate standing committee.

Honourable senators, the committee's interest in the Officers of Parliament is ongoing. It is our intention to monitor the progress of the federal government in this area and to comment further as we deem appropriate.

On motion of Senator Rompkey, for Senator Day, debate adjourned.

• (1620)

#### THE SENATE

MOTION TO AMEND RULE 96, CLAUSE-BY-CLAUSE CONSIDERATION—REFERRED TO COMMITTEE

Hon. Tommy Banks, pursuant to notice of May 19, 2005, moved:

That the Rules of the Senate be amended in rule 96 by adding, in subsection (7), the following:

"In particular, clause-by-clause consideration of legislation shall not be dispensed with unless with leave."

The Hon. the Speaker: I will see Senator Banks now. However, he would like to move, with leave, another motion.

Senator Banks: Honourable senators, I think the motion speaks for itself. It is clear and derives from some uncertainty which existed in this place, which I would like to suggest we would all benefit from being cleared up. The best way to do that would be with leave of the house. It would be my second motion, with leave, honourable senators, that we refer this motion to the Standing Committee on Rules, Procedures and the Rights of Parliament now.

The Hon. the Speaker: In other words, Senator Banks does not wish to speak to it?

Senator Banks: No.

The Hon. the Speaker: Before I go to Senator Bank's request for referral, I should look to the chamber to see if another honourable senator would like to speak. Senator Bank's motion would require leave, so I will take my seat. I see no one rising. Senator Banks wants the amendment referred to committee, and does not want us to deal with it now?

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, it is our understanding that Senator Banks wants to refer this motion to committee now.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion referred to Standing Committee on Rules, Procedures and the Rights of Parliament.

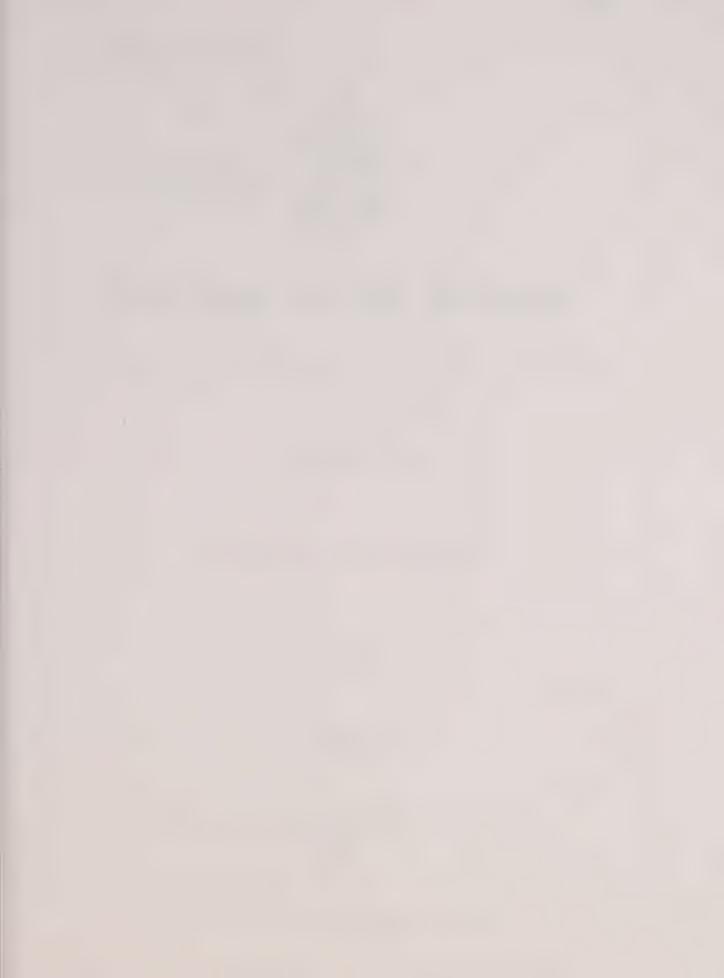
The Senate adjourned until Wednesday, June 1, 2005, at 1:30 p.m.

## CONTENTS

# Tuesday, May 31, 2005

PAGE	PAGE
PRATORS' STATEMENTS  Preme Court of Canada  cision on Canada (House of Commons) v. Vaid.  n. Serge Joyal	Privy Council Office Commission of Inquiry into the Sponsorship Program and Advertising Activities—Strategic Office for Preparing Government Responses. Hon. Marjory LeBreton
nada's Level of Literacy n. Donald H. Oliver	Finance Legislative and Regulatory Framework for Federally Regulated Pension Plans—Fund to Guarantee Pensions. Hon. Donald H. Oliver. 1353 Hon. Jack Austin 1353
ronto Police Service bute to Child Exploitation Unit. n. Consiglio Di Nino	Indian Affairs and Northern Development Commitments Resulting from Cabinet/Aboriginal Associations Retreat—Funding of Proposals. Hon. Gerry St. Germain
e Hon. the Speaker	Privy Council Indian Residential Schools Resolution—Funding of Settlements. Hon. David Tkachuk
OUTINE PROCEEDINGS	Delayed Answers to Oral Questions Hon. Bill Rompkey
mmissioner of Official Languages 04-05 Annual Report Tabled	Health Private and Public Delivery of Services. Question by Senator Keon. Hon. Bill Rompkey (Delayed Answer)
st Reading. nn. Bill Rompkey	Fisheries and Oceans Nunavut—Report on Development of Arctic Fisheries Industry. Question by Senator Comeau. Hon. Bill Rompkey (Delayed Answer)
ansport and Communications trice of Motion to Authorize Committee to Extend Date f Final Report on Study of Media Industries.  In Joan Fraser	Aeronautics Act (Bill S-33) Bill to Amend—Second Reading—Point of Order— Speaker's Ruling Reserved. Hon. David Tkachuk 1356 Hon. Jack Austin 1358 Hon. Terry Stratton 1358 Hon. Bill Rompkey 1359 Hon. Anne C. Cools 1359 The Hon. the Speaker 1359
djournment of the Senate.  on. Peter A. Stollery	Business of the Senate         1361           The Hon. The Speaker         1361           Hon. John Lynch-Staunton         1361           Hon. Anne C. Cools         1362           Hon. Bill Rompkey         1362           Hon. Donald H. Oliver         1363
uestion period  stice  mmission of Inquiry into the Sponsorship Program and Advertising Activities—Legal Parameters.  m. Terry Stratton	The Estimates, 2005-06 Second Interim Report of National Finance Committee— Debate Adjourned. Hon. Donald H. Oliver. 1366 Hon. Bill Rompkey 1366 Hon. Anne C. Cools. 1366 Third Interim Report of National Finance Committee— Debate Adjourned. Hon. Donald H. Oliver. 1366 The Senate
ommission of Inquiry into the Sponsorship Program and Advertising Activities—Laying of Charges for Wrongdoing. on. Gerry St. Germain	Motion to Amend Rule 96, Clause-by-Clause Consideration— Referred to Committee. Hon. Tommy Banks







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**CANADA** 

# Debates of the Senate

1st SESSION

38th PARLIAMENT

**VOLUME 142** 

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OFFICIAL REPORT (HANSARD)

Wednesday, June 1, 2005

THE HONOURABLE DANIEL HAYS SPEAKER



This issue contains the latest listing of Senators, Officers of the Senate, the Ministry, and Senators serving on Standing, Special and Joint Committees.

## **CONTENTS**

(Daily index of proceedings appears at back of this issue).

Debates and Publications: Chambers Building, Room 943, Tel. 996-0193

#### THE SENATE

Wednesday, June 1, 2005

The Senate met at 1:30 p.m., the Speaker in the chair.

Prayers.

### SENATORS' STATEMENTS

#### UNIVERSAL HEALTH CARE

Hon. Marilyn Trenholme Counsell: Honourable senators, I was moved to speak today after reading the message delivered by former Saskatchewan Premier Roy Romanow on May 11, 2005 in Saskatoon. As the twenty-first recipient of the annual Distinguished Canadian Award, he made an impassioned plea for medicare. He said:

But medicare didn't fall from Mars on this planet. ... It was the will of Canadian men and women with foresight and vision and guts and determination to build a greater country, and so too it falls on us to make sure that the basic platform structure remains intact and is reformed and made more relevant and stable.

Referring to his study of Canada's health care system, Mr. Romanow said that what he heard most often is that "this cherished program will not go under without a fight."

Honourable senators, I go back to a very special book, *Towards a Just Society: The Trudeau Years*, written by Thomas Axworthy and Pierre Elliott Trudeau in 1990. I quote therefrom:

It was in medicare, however, that the most important battle to hold the line in social security was fought and won. The creation of medicare was a triumph of the Pearson years. The architects did a better job of it than even they realized, and it was to stand the Trudeau government in good stead almost twenty years later, when the plan was assailed from within. What in fact was built into Canada's medical care system was a set of national standards, which gave later federal health ministers the leverage required to save the system.

The first set of problems arose in the late 1970s....A few hospitals began to charge user fees...enough to impose a serious financial penalty on lower-income Canadians and even those in the middle-income category...a serious threat to the concept of universality, which was the very foundation of medicare in Canada...

By the early 1980s, a two-tiered medical care system was developing in this country: one level of care for the rich and another for the poor. It was an alarming trend, to say the least. The Canadian medical care system — one of the best in the world — was in danger of ceasing to exist. At the centre of the battle for its survival was a remarkably determined woman, Monique Bégin, then minister of national health and welfare.

Bégin found the ammunition she needed in the legislation itself. Firmly embedded in it were the four essential principles of medicare....These were national standards that had to be upheld; it was the law...

If Ottawa had allowed the forces of conservatism, coupled with provincial jurisdictional squabbling, to erode Canada's medical care system, it would have been sacrificing the basic social principles on which this country is founded. The Canadian way has always been to strike a healthy balance between pulling our own weight and ensuring that our neighbours' basic needs are met. Health care is one of the most basic needs, and it took decades to establish a national health care system.

Fifteen years later, on May 1, 2005, the Honourable Ujjal Dosanjh, Minister of Health, said at the Friends of Medicare Conference:

I call it the Charter because, like the Canadian Charter of Rights and Freedoms, it enshrines the equality of all Canadians when it comes to health care.... But above all, Medicare is a partnership of values where all governments have — time and again — committed themselves to those 5 bedrock principles. Indeed, this was done as recently as the First Ministers Agreement last September. Medicare, in fact, would not have endured these forty years if governments were always at daggers drawn or not in fundamental accord as to core principles.

The Hon. the Speaker: I am sorry to inform Senator Trenholme Counsell that her three minutes have expired.

#### THE RIGHT HONOURABLE BRIAN MULRONEY

# CONGRATULATIONS ON CITATION AS "GREENEST" PRIME MINISTER

Hon. Marjory LeBreton: Honourable senators, I rise today to draw your attention to a report in today's edition of the *National Post* entitled "Mulroney is named greenest PM ever. He had the biggest impact on the environment." A jury of 12 Canadian environmentalists assembled by *Corporate Knights* magazine has ranked the Right Honourable Brian Mulroney as the Prime Minister who made the most positive impact on Canada's environment. The jury included some of our country's most well-respected environmentalists, including the heads of the Sierra Club and the World Wildlife Fund.

Among the many achievements of the Mulroney government cited by the jury was the acid rain accord with the United States and the creation of significant new national parks on South Moresby Island in British Columbia, on Ontario's Bruce Peninsula, and the beautiful Grasslands National Park in Saskatchewan. Also, the position of the Minister of the

Environment was elevated to senior cabinet level status for the first time by Prime Minister Brian Mulroney, and a Cabinet Committee on Environment was created that reviewed the environmental implications of all government initiatives.

During Brian Mulroney's time in office, Canada was provided with much-needed international leadership in this area. This leadership was particularly true at the Earth Summit held in Rio de Janeiro in 1992 where Canada was the first country to say we would sign a treaty to protect endangered plants and animals.

Summarizing his time in office, Corporate Knights magazine said:

Mr. Mulroney was a leader who had the courage to spend his political capital on more occasions than any other Prime Minister doing what was right for Canada's environment — even though trees can't vote.

On behalf of all Conservative senators, and I would hope all senators in this chamber, I would like to offer our heartfelt congratulations to Mr. Mulroney for this special recognition.

• (1340)

[Translation]

## ROUTINE PROCEEDINGS

#### ASSEMBLÉE PARLEMENTAIRE DE LA FRANCOPHONIE

MEETING OF PARLIAMENTARY AFFAIRS COMMITTEE, APRIL 25-26, 2005—REPORT TABLED

Hon. Pierre De Bané: Honourable senators, pursuant to rule 23(6) of the *Rules of the Senate*, I have the honour to table, in both official languages, the report of the Canadian delegation of the parliamentary association of the Assemblée parlementation de la Francophonie (APF) regarding its participation in the meeting of the Parliamentary Affairs Committee of the APF, held in Damascus, Syria, on April 25 and 26, 2005.

[English]

# **QUESTION PERIOD**

#### THE ENVIRONMENT

KYOTO PROTOCOL— MANAGEMENT OF FUNDING PORTFOLIO

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, Kyoto funds are sitting idle instead of being used to cut greenhouse gas emissions. According to the Ottawa Citizen, federal documents show that a large portion of the billions of dollars the government has set aside since 1997 to deal with climate change has gone unspent, while the country's greenhouse gas emissions have risen.

Honourable senators, here are some of the facts. Between 1997 and 2004, \$3.7 billion was budgeted to prepare for the Kyoto accord. Only one half of these funds has been spent. Some \$1.4 billion has not been used. Some \$700 million, which was designated as a contingency fund, has been sitting idle.

Meanwhile, greenhouse gas emissions are continuing to grow. In 2003, they grew faster than the economy. This is a serious problem because the Liberal strategy on climate change depends on the annual greenhouse gas emissions growing more slowly than the economy as a result of better energy efficiency and conservation.

Environment officials claim that the unspent money is being saved for projects that they are planning for the end of the decade.

Can the Leader of the Government in the Senate explain why these badly needed funds were not used when they were needed to prepare for the Kyoto Protocol, which was also the period for which they were budgeted?

Hon. Jack Austin (Leader of the Government): Honourable senators, I will take the Honourable Senator Stratton's question as notice.

Senator Stratton: Honourable senators, in 2006, the Auditor General will conduct a review of Kyoto spending. Environment Canada is thinking about conducting its own review — much like the fox counting his chickens. We are talking about funds that date back eight years. That is how long they have been mismanaged in a portfolio which is crucial to the future of Canadians. Will the Liberal government stop studying how badly it has misused Canadian taxes and start using these funds more wisely?

Senator Austin: Honourable senators, now that I have heard the honourable senator's supplementary question, I would like to comment on his line of questioning.

First, I concur with Senator LeBreton in the recognition of former Prime Minister Brian Mulroney as a leader in conceptualizing what must be done to deal with the environmental concerns of our society. I recall the steps that were taken in 1992 after the Rio de Janeiro conference when Canada committed to be a full player in what is now known as the Kyoto Protocol. As the federal government, the provinces and industry move to deal with the objectives that Canada has now accepted, I look forward to the support of the Conservative Party for what Prime Minister Brian Mulroney started.

Honourable senators will know that on April 13 the so-called Kyoto plan was announced by Canada, as was Project Green, along with a long series of phases toward reaching the objectives of the Kyoto Protocol.

I commend to Senator Stratton a closer study of the measures that have been undertaken by the Government of Canada to deal with the Kyoto Protocol. Currently, we are discussing with the provinces and industry the specific steps to be taken. Some announcements have already been made.

I have mentioned before in this chamber the voluntary agreement of the auto industry, which is not only one of our largest and most significant economic units but also a substantial polluter.

We are having discussions with the steel industry, whose contribution to the economy of the province of Ontario is so important. As well, we are having discussions with the energy industries, whose activities are important to the economies of the provinces of Alberta and Saskatchewan.

In this area of shared jurisdiction, it is not possible for the government to launch unilateral programs. That would not be the most effective use of these funds. Having said that, I will take both the honourable senator's question and his supplementary question as notice for further response.

Senator Stratton: Honourable senators, it is not that we are not interested in what will happen in the future. Our biggest concern is with what the government has done in regard to environmental concerns since taking office. The general response is that it has done little, which speaks for itself in light of the questions that have been asked and answered.

How much money that should have been spent has been left unspent? The Leader of the Government in the Senate can tell me all he wants about future agreements. I am asking: What has been done in the past? That fundamental question needs to be answered.

Senator Austin: Honourable senators, I have answered that question, but I will summarize my answer. Simply put, the money was set up as an encouragement to industry and the provinces to sign on to environmental targets. Honourable senators are aware that the process of coming to an agreement has taken more time than the government anticipated. Spending money uselessly is not the objective of the government, nor, I am sure, is it an objective of the opposition.

Trying to measure the government's performance in dealing with the environment on the basis of money spent is quantitative, not qualitative.

#### **FINANCE**

#### BANK MERGERS-RELEASE OF GUIDELINES

Hon. W. David Angus: Honourable senators, my question for the Leader of the Government in the Senate concerns a subject that I know is near and dear to his heart. It deals with matters in the financial services sector generally and bank mergers in particular.

Senator Oliver and I have addressed a series of questions to the Leader of the Government on the issue of mergers and when the guidelines will be released. My understanding of the answers given in the chamber, either viva voce or via a delayed response, is that the leader will keep us advised. However, we find in the newspapers of this week comments by the Minister of Finance that he is now, possibly, ready to release these long delayed

merger guidelines that I believe the Leader of the Government told us were due to be released in June of last year. The release was delayed by the intervening election.

• (1350)

Would the Leader of the Government tell us the government's current position on bank merger guidelines, rather than have us learn that from newspaper articles?

Hon. Jack Austin (Leader of the Government): Honourable senators, let me first deal with some implied and some not-so-implied comments in the question.

I undertook to keep this chamber advised, and to do so I must wait for a question from honourable senators or table a government policy document, if such a document is available to table. As yet, no document is on hand to table.

The newspaper articles deal with speculative issues and a comment in passing by a minister. I believe the general nature of the comment was that, if the political temperature in the other place would permit it, there could be a focus on the substantive issues relating to bank mergers.

I have said in this chamber before that the government is open to moving forward with bank mergers. I am not aware of any policy statement, as such, that is yet available, but clearly the government is approaching the issue in a positive way.

Senator Angus: I appreciate that. Let me make it clear, honourable senators, that it was for the very reason that the newspaper article was speculative and full of innuendo that I addressed my question to the Leader of the Government.

As the Leader of the Government is well aware, this matter is important to the country and to the integrity of our financial services sector, and there must be clarity on it. In my role as Deputy Chair of the Standing Senate Committee on Banking, Trade and Commerce, I can state that the question of when a position will be taken is constantly raised in the committee.

My supplementary question is this: Putting aside the newspaper articles and the politics of the matter, does this government have the will and the courage to announce a firm policy, or will we, yet again, adjourn for the summer break wondering what position the government will adopt? Does it all depend on the political climate and "temperature" of the parties? If that is so, it would not seem to me to be the way public policy in a sector as important as the financial services sector should be decided.

**Senator Austin:** Honourable senators, I would respond to Senator Angus by making these points.

First, there is no question that the government believes that the question of bank mergers deserves to be examined by Parliament, in consultation with all interested stakeholders in the country.

Second, the government has made it clear that it wishes to move forward with this issue, but it needs to have a parliamentary agenda that is prepared to deal with this issue on the merits. As Senator Angus has said, this is an important policy move that is not to be taken casually or lightly and, hopefully, not to be taken politically in the party-partisan sense.

Canadians and Parliament should look at this matter to see where the public interest lies with respect to bank mergers. On that point, I believe Senator Angus and I are in agreement.

Senator Angus: Would the Leader of the Government undertake — I use that word loosely — to advise himself and honourable senators if a set of guidelines will be presented by the Minister of Finance before we adjourn for the summer break?

Senator Austin: Honourable senators, I will make a further inquiry, but it is my information and belief that a further official government move will not be made until the fall.

#### **PRIVY COUNCIL**

INDIAN RESIDENTIAL SCHOOLS RESOLUTION— FUNDING OF SETTLEMENTS PENDING REPORT OF GOVERNMENT REPRESENTATIVE

Hon. Gerry St. Germain: Honourable senators, my question is to the Leader of the Government in the Senate and is a follow-up to a question asked yesterday about the long-awaited changes to residential schools, school abuse and the compensation process.

As we have heard, the accord signed between the Assembly of First Nations and the federal government on Monday named former Supreme Court Justice Frank Iacobucci as the federal representative to negotiate a new settlement package for the survivors. He is obliged to report by March 31 next year. Any changes to the compensation process are greatly anticipated, as the current process is infamous for spending much more on administration costs than on compensation payments for these victims of abuse.

I read an article detailing the fact that \$20,000 was spent to fly a lawyer across the country in order to prepare evidence binders and rent space, all to deal with a claim that had a \$3,500 ceiling. The article also dealt with the government's appeal of a \$1,500 award to an elderly and ill Flora Merrick.

Would the Leader of the Government in the Senate tell us if the federal government will undertake changes to make the compensation process more efficient, while awaiting the negotiator's report next spring? What will be done between now and then? Five or six people who would qualify for compensation are dying every day. This horrible injustice was inflicted on our Aboriginal peoples. Would the Leader of the Government comment, please?

Hon. Jack Austin (Leader of the Government): Honourable senators, I take it that the question is focused on what the government policy will be pending the report of the government representative who is dealing with a resolution of the Indian residential schools situation.

The government is cognizant of the weaknesses of the policy on which it launched itself. That policy was based on classic litigation principles — the proof of loss or damage based on evidence, and then negotiations in an alternative dispute system or through litigation. The result was of the kind of action that Senator

St. Germain mentioned in his recital before asking the question. When you are involved in a strict litigation process, you are in an adversarial process and you act in an adversarial way so as not to admit or accept liability.

That system is now in the process of being altered. Instead of continuing in the adversarial mode, the government has said that it wants an overall review and an equitable settlement with those who have been affected by their treatment in the residential school process.

Having explained the background, I do not have a specific answer for the honourable senator with respect to the way in which the government will conduct itself in the interim. I hope to be able to supply honourable senators with further information shortly.

#### INDIAN RESIDENTIAL SCHOOLS RESOLUTION— BINDING NATURE OF GOVERNMENT REPRESENTATIVE'S REPORT

Hon. Gerry St. Germain: Since 2003, apparently, the government has tried to drag Aboriginal claims from the courts into what was to be a faster, less formal system. Approximately 50 of an anticipated 12,000 claims have been settled. During that time, the 87,500 surviving students have been dying at the rate of five a week.

Could the Leader of the Government in the Senate tell us if the recommendations that the negotiator will bring forward next year will be binding on the federal government? Has the federal government committed itself to implementing the changes within a specific timeline? It is always the implementation that destroys the programs that have been instituted by government for our Aboriginal peoples.

Senator Rompkey is well aware of this inclination. Presently, we are working on something to expedite benefits for a group of Aboriginal peoples in the East. Hopefully we can do something for those in the West. How long must these people wait for results?

Again, I ask if the recommendations will be binding on the government and will a timeline be set?

• (1400)

Hon. Jack Austin (Leader of the Government): Honourable senators, the intention is that the Honourable Frank Iacobucci provide the government and the people of Canada with a recommendation. I do not believe that a recommendation of that kind would serve to bind; it would not be binding on any of the parties. It would act as a focus around which settlement negotiation can take place. All of the parties will contribute to the work of Mr. Iacobucci, and he will come to conclusions based on input from all of the interests in play here.

I believe that his report will lead to a narrowing of the issues and a much more rapid conclusion by negotiation. I want to say, if I did not make it clear, that the alternative dispute resolution process that is now in play with respect to the claimants will continue for those former students. They have access to it if they

wish to choose that option, or they can wait for the recommendations of Mr. Iacobucci and the conclusions of the many legal actions that are now extant in the courts.

Senator St. Germain: Honourable senators, the information I have is that these schools were established in 1840 and the last one was shut down in 1996. To be totally honest — and I do not see this as a partisan issue at all — government after government has failed to deal with the problem.

As I mentioned yesterday regarding specific cross-claims on land settlements, one can always find excuses and say there are third parties involved that have to be negotiated with. There is credence to that argument. However, if we do not overcome these arguments, these people will continue to live in poverty, in a Third World state. Their education opportunities are being hindered. There is a litany of things going against these people.

If Mr. Iacobucci's findings are not intended to be binding, how can we expect results when, as the minister knows, native claims and implementation seem to get lost in the bureaucracy of Ottawa? The Department of Indian Affairs and Northern Development is likely the most guilty, paternalistic organization in the world. How can we work around this?

Senator Austin: It would be fair to the players to point out that the announcement of the appointment of Mr. Iacobucci is pursuant to an agreement between the Government of Canada and the Assembly of First Nations. This appointment and this manner of proceeding have the endorsement of the Assembly of First Nations. Indeed, they recommended that the government take this process as an alternative to litigation and alternative dispute resolution methods. The government has accepted the recommendation of the AFN and is proceeding on an agreed basis with a group that represents a majority of the students who were affected by this particularly serious activity.

I share with Senator St. Germain his impatience with the reaction to the injustices that have taken place. However, we must move in accordance with the rule of law and the interests of the Canadian community as a whole. We must take into account what processes lead to what quantum of damage. Senator St. Germain will know, having served in a previous government, that this is the responsibility of government.

At the same time, we have never been closer to a reconciliation and resolution of the residential schools question than we are now. Finally, we have both the government and the Assembly of First Nations agreeing to a process in which the litigants have the option of endorsing or continuing with their litigation.

#### **FINANCE**

POLICY ON HEDGE FUNDS AND CROSS-PILLAR MERGERS AMONG FINANCIAL INSTITUTIONS

Hon. W. David Angus: Honourable senators, I have a further supplementary question to my earlier question on the financial services sector. The Leader of the Government has agreed to seek

some indication of a timeline for the guidelines on mergers. Could he also inform senators where the government stands on the issue of cross-pillar mergers, that is, for example, a bank with a life insurance company?

The Standing Senate Committee on Banking, Trade and Commerce reviewed the matter at the request of former Minister Manley and submitted its report. We understood that a task force was being established in the Department of Finance to review that matter and to come back with a policy statement in that regard. If the honourable leader could obtain information on that matter, it would be very helpful.

In addition, for the last several days on the front pages of all the financial papers, great concern has been evinced about the unregulated state of hedge funds. Literally billions of dollars are now reposing in the hands of these hedge fund operators. The Investment Dealers Association of Canada has come up with a report urging all levels of government that have jurisdiction to take steps. To the extent the federal government can do so, does it intend to respond either by bringing in regulations or by overseeing, given the present environment of this critical area, where consumers' savings and investments are being placed?

Hon. Jack Austin (Leader of the Government): The Honourable Senator Angus and I served for a few years on the Standing Senate Committee on Banking, Trade and Commerce, so these issues are familiar to each of us, as they are to many others in the chamber. The issue of cross-pillar mergers is one of the major aspects of financial institution policy. My honourable friend is as aware as anyone of the differing opinions in the financial institution system on whether cross-pillar mergers should be allowed. We have heard from some insurance companies that such mergers with banks would be unwelcome. Others have been more amenable to the concept. I cannot respond now, but I will make an inquiry.

With respect to hedge funds, which is becoming a subject of considerable awareness in the general public regarding what could take place in terms of asset value under adverse circumstances, I will make inquiries. I am not sure what would be the result of those particular inquiries.

To complete this discussion, perhaps Senator Angus would also like to invite me to ascertain where the government might stand on a national securities commission.

**Senator Angus:** I am quite happy with my other three inquiries. However, we are all waiting with baited breath on news pertaining to a national securities commission.

#### DELAYED ANSWER TO ORAL QUESTION

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour to present a delayed response to an oral question raised in the Senate on May 31, 2005, by the Honourable Senator LeBreton regarding the Privy Council Office.

#### PRIVY COUNCIL OFFICE

COMMISSION OF INQUIRY INTO THE SPONSORSHIP PROGRAM AND ADVERTISING ACTIVITIES— STRATEGIC OFFICE FOR PREPARING GOVERNMENT RESPONSES

(Response to question raised by Hon. Marjory LeBreton on May 31, 2005)

There are four staff members in the PCO Coordination Sponsorship Matters group. They are as follows:

Ursula Menke, Chief; Doris George, Executive Assistant; Melanie Tod, Director of Internal Communications; and Robert Quinn, Senior Advisor.

• (1410)

# ORDERS OF THE DAY

THE ESTIMATES, 2005-06

SECOND INTERIM REPORT OF NATIONAL FINANCE COMMITTEE ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Oliver, seconded by the Honourable Senator LeBreton, for the adoption of the eleventh report (second interim) of the Standing Senate Committee on National Finance (2005-2006 Main Estimates—Foundations), tabled in the Senate on May 19, 2005.

**Hon. Joseph A. Day:** Honourable senators will have had an opportunity to at least cursorily review the eleventh report of the Standing Senate Committee on National Finance, which is the second interim report on the Main Estimates 2005-06.

Honourable senators will recall the interest of our Standing Senate Committee on National Finance with respect to foundations and the importance we attached to this new concept. I have had an opportunity to review the statements made by the Honourable Senator Oliver, the chair of our committee, when he spoke in this chamber yesterday. I found his comments essentially to be reflective of the spirit of the debate and the report that has been distributed to you. There may be some areas where I would perhaps have expressed the concerns of our committee in a different manner, but the recommendations that appear there have been adopted unanimously by our committee.

Honourable senators, the study with respect to foundations is one that has been ongoing by the Auditor General as well. It is important for us to understand a few of the basic terms that are used in relation to foundations, otherwise we may be arguing at cross purposes. The foundation may be an endowment, which means that the growth in a particular year is all that is distributed

and that the endowed amount, the principal, will remain throughout the life of the foundation. For example, the Pierre Trudeau Scholarship Fund is based on an endowment and the capital will always remain in the fund. In fact it may grow if the foundation has the opportunity to bring in more capital, which some do.

Other foundations are set up for a finite period of time—five years, 10 years—as determined by the document that creates them, which is the funding agreement. At the end of five years, 10 years or some other period, those foundations will cease to exist unless they receive a new injection of funds.

We discussed both types of foundations, and there is a schedule in our report that outlines each of the two different foundations: the endowed foundation and the general foundation.

Another important term is the word, "audits." The Auditor General has, in two Auditor General's reports, raised concerns with respect to the auditing of foundations. The audit to which the Auditor General refers may not be the audit that generally comes to mind. When the Office of the Auditor General was first created, it was for the purpose of financial auditing, that is, to review the financial records and documentation of a particular organization, government department or the like.

There are other types of audits in addition to financial audits. For example, we have environmental audits nowadays, where an engineer will determine whether a particular company is operating in such a manner that that company is creating or should have environmental concerns, or is meeting all of the regulations and laws with respect to the environment. There are audits with respect to intellectual property, where an auditor will go into a company and determine what intellectual property might be in existence within that company and whether it is being handled correctly. There are value-for-money audits, which are close to determining whether an organization is following the policy purpose for which the organization was created. A similar audit to that is the performance audit. Is the company, organization, agency or foundation performing according to the standards set up in the funding agreement when the entity was created? A more precise type of performance audit is the compliance audit, which typically would be based on a defined — rather than dealing with policy issues - agreement, where it would be determined whether all of the points are being followed.

We must keep all of those types of audits in mind because, when someone suggests that an audit should be done the next question that should be asked is: What type of audit are you talking about?

Honourable senators, each foundation is created by a document that defines the relationship between the funds being made available from the government and the particular foundation. We refer to that particular document as a funding agreement. Foundations are a fairly new vehicle for bringing about government policy. They are less than 10 years old. The first one, I believe, was established in the 1996-97 fiscal year time frame. We are dealing with a new type of vehicle that is intended, by virtue of being funded from the government purse, to achieve defined public policy purposes.

In the past, general government departments implemented all government policy. Then a new type of vehicle came along called a Crown corporation. Later on we had independent, stand-alone agencies within the government, such as the intellectual property organization. That organization used to be a department of the Department of Industry, and before that Consumer and Corporate Affairs, but it is now a stand-alone agency that collects funds to operate. In 1996-97, along came this new vehicle called a foundation.

The Auditor General has had some difficulty with foundations because the Auditor General was not accustomed to being involved with that kind of organization. Indeed, the government's initial policy statement on foundations specified that the Auditor General would not be involved. Independence being the most important aspect of foundations, the government decided that, once the funds were transferred to a foundation, the foundation would appoint an independent board. The government would not be involved in the appointment of board members. There would be a mechanism within the funding agreement to appoint members who were knowledgeable in the subject matter of particular interest to the foundation. That board of directors would hire outside auditors to do the financial audits and would report on an annual basis to the sponsoring minister.

The questions that the Auditor General asked were: What about all those mechanisms we had in place for government organizations? What if the policy purpose for which this was created has changed? Should the government not be able to go in and tell them to stop doing what they are doing and give the money back? That goes to the fundamental concept of a foundation. It is independent, and the government should not be able to interfere with respect to how much a foundation pays its board of directors. It should not be able to interfere with the composition of the board of directors, and it should not have anything to say about how the funds are distributed and the decisions made by the board.

Honourable senators, with respect to foundations we are struggling with the concept of lump sum funding by the government when there has not been demonstrated a need for all of those funds by an organization that is independent of government, and merely reports on an annual basis through the sponsoring department or minister.

Clearly, we have made some mistakes. I believe everyone now recognizes that. Mistakes were made when we created Crown corporations, and mistakes were made when we created standalone agencies within government.

• (1420)

We are now making adjustments to rectify those mistakes by amending the funding agreements and the issue of what the Auditor General should be able to do.

Honourable senators, when Bill C-43 comes to us — the budget implementation bill for this fiscal year — we will see further adjustments being proposed that will allow the Auditor General to get involved, with certain restrictions. The Auditor General will have more say about what transpires with respect to certain foundations.

Funding agreements are being amended to provide for more specific reporting. Adjustments are taking place. These agreements must be amended because certain foundations are running out of funds and have asked for an injection. At that time, the government will have an opportunity to request amendments to the foundations' funding agreements.

Honourable senators, we will see that this is an important evolving means of implementing government policy. It is important that we, as one of the Houses of Parliament, remain engaged in this issue. It is important that we direct our National Finance Committee to continue to be involved in monitoring these particular foundations to ensure that there is proper accountability and that the funding agreements are being followed in the manner that was intended at the time of their creation.

I commend to honourable senators another close reading of our report.

#### MOTION IN AMENDMENT

Hon. Joseph A. Day: I would also ask that honourable senators consider an amendment to this report and add to it what we should have included at the time we prepared it; that is, a request that the government, through the appropriate minister, report to the Senate within the appropriate 150 days of receipt of the report. Our rules now provide for this procedure under section 131(2). This motion in amendment assumes that this report will be adopted by the Senate, and then we will pass it on to the appropriate minister for review.

Honourable senators, I move that the motion to adopt this report be amended by adding the following words:

and that, pursuant to rule 131(2), the Senate request a complete and detailed response to the report from the government, with the President of the Treasury Board and the Minister of Finance being identified as the ministers responsible for responding.

This amendment, honourable senators, is reflective of the unanimous agreement of our committee at the time we adopted the report. If Honourable Senator Oliver were here, I am sure he would be prepared to second this motion in amendment.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. David Tkachuk: I noticed on page 2 of the report on foundations that there is mention of 23 such foundations, four of which were established under new legislation: Asia Pacific Foundation, Canada Foundation for Innovation, Canadian Millennium Scholarship Foundation, and Canada Foundation for Sustainable Development Technology. These were all under new legislation. The others were under the Canada Corporations Act. Why are they set up under new legislation? Why are they not all under the Canada Corporations Act?

Senator Day: We asked the same question of the various government officials who appeared before us.

A representative of the Ministry of Finance was in attendance and indicated that the manner of setting up the structure of governance, which is what we are talking about here, was a matter of debate between the sponsoring department and Department of Finance. In certain instances, they felt that new government legislation that would come before us and define what is being done was important. In other instances, they felt they could set up the corporate structure through the Canada Corporations Act without the necessity of creating a corporate structure by virtue of stand-alone legislation.

Therefore, we asked if it was important that legislation come before Parliament. If we are not presented with standalone legislation and everything is done under the Canada Corporations Act, we do not see the structure as parliamentarians. That was one of the points we made.

Before any foundation is established or before any change is made to an existing foundation, either one or both of those proposals should come before both Houses of Parliament for consideration. This does not preclude the creation of the entity under the Canada Corporations Act, but the funding agreement should be reviewed by Parliament before that particular foundation is set up in that manner.

The Hon. the Speaker: The honourable senator's time has expired.

**Senator Day:** With the indulgence of honourable senators, I would be pleased to try to answer the follow-up question by my colleague.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Senator Tkachuk: By any chance, did the committee discuss the possibility that all foundations would require a new piece of legislation rather than any foundation being placed under the Canada Corporations Act? If Parliament were to examine the agreement, how would that agreement be placed before Parliament?

Senator Day: We did discuss the issue of whether all organizations and all new foundations should be created by separate legislation. We were not in unanimous consent on whether we should be directing the government to do so. We want to be able to review the structure in some manner, and we believe it is important for Parliament to do the same.

Senator Tkachuk: I noticed in the second group of foundations that seven of them spend the interest but not the endowment. One is called the Pierre Elliott Trudeau Foundation, which is named after one of our former prime ministers.

Did the committee gather testimony on why a former prime minister would have a foundation named after him? Was it the intent of the government to have foundations for all past prime ministers or only for those who have passed away? • (1430)

Senator Day: We did not get into that discussion.

Hon. John Lynch-Staunton: Did the committee look into what happens to the funds in a foundation if it is wound up and has surplus funds? How are they distributed, or what happens to them?

Senator Day: Yes, we did discuss that issue. We were told that it should be covered in the basic funding document, but that it might not have been, in certain instances, covered, and we did not get into that.

As you will appreciate, there are many sub-issues such as the ones we talked about. If the funding agreement came before this house we would ask whether that money should come back to the Crown by virtue of the organization no longer having a reason to operate or be distributed to other non-governmental organizations as determined by the board of governors or directors at the time. We did not resolve many outstanding issues such as that, and that is why we feel that we should continue this dialogue and look into some of these issues.

Senator Lynch-Staunton: Honourable senators, is it not a fact that in most cases of a foundation winding up, the funds are to be pro-rated amongst those who have benefited from the funds? When I followed this file more closely, I could find only one case, the Asia Pacific Foundation of Canada, where, in the case of winding up, the funds would be returned to the original contributors, meaning the provinces and the federal government.

As I recall, in many cases of a foundation winding up, the money is to be distributed pro rata to beneficiaries of the fund rather than being returned to the governments who originally funded them. Quite frankly, I find it appalling to think that 20 years after a fund has been created, the winding up means that the funds are distributed to those who may no longer be there, rather than be returned to the government, in this case, the Government of Canada. Can the honourable senator confirm that or, I hope, deny that?

Senator Day: I can neither confirm nor deny that. I have not had the opportunity to review the funding agreement for the Asia Pacific Foundation, but I can tell the honourable senator that it is one of the foundations that is an endowment that I referred to during my introductory remarks. Some of the funding agreements, as the honourable senator may recall, provide the foundation with the opportunity to raise funds from other sources, and other funding agreements do not.

This question and answer illustrates the importance for us to review the funding agreement, namely, the document that creates the particular mechanism, of each foundation that is created. It also points out the weakness in some of the earlier foundations that were created, where some of the points were not properly covered. As a result, the various sponsoring government departments are now attempting to amend the funding agreements to bring in reporting requirements, dispute resolution mechanisms and so many points such as those that were not covered in the original funding agreements.

The Hon. the Speaker: The five minutes have expired, Senator Day. I have a list of Senator Cools, Senator Stratton and Senator Tkachuk. Do you want additional time, or they can speak, of course?

Senator Day: I am in the hands of the leadership. I will try to answer the questions.

Senator Tkachuk: I have one supplementary question.

**Senator Rompkey:** We would be happy to hear other questions and answers.

Hon. Anne C. Cools: I was listening to the honourable senator with some interest. This is a subject matter that I know a little bit about. The senator moved a subsequent motion asking the minister to respond to the committee's report. Am I correct? Is that what he just moved, a motion to that effect?

Senator Day: Yes, we were tracking the wording of our rule 131(2), which uses the interesting words, "provide a complete and detailed response." That is why I used those words.

**Senator Cools:** This is no ordinary report. This is a report on the study of the Main Estimates.

Could the Honourable Senator Day share with us why he believes such a motion would be necessary? The Standing Senate Committee on National Finance, in its ordinary routine of business, has frequent visits from the Minister of Finance and the President of the Treasury Board. The Senate Finance Committee is quite capable of obtaining ministers' responses to these issues with a greater ease than any other committee.

Since it is a report on the Main Estimates, why is it that the minister's response would not be obtained during other committee proceedings on the Main Estimates?

**Senator Day:** In proposing this motion to amend, I was reflecting the will of the Standing Senate Committee on National Finance. That is why I asked this chamber to adopt this amendment with respect to rule 131(2).

You are right. We do have an opportunity to bring in ministers. We have good cooperation from all of the ministers that we request, and they often come on short notice. More often, I think, with respect to legislation that the committee is dealing with, rather than the Main Estimates, but also with respect to the Main Estimates, we could bring in any one of the ministers. In fact, this study on foundations flows from our general mandate and the general authority given to us by this chamber to continue to study the Main Estimates.

Rule 131 contemplates a process whereby a committee report is not only tabled and then lost, but is also sent to the respective government departments. The departments reply within a period of time. The reports come back to the Senate, and then are

referred to that committee. The process keeps the issue alive, and we are keen, as a committee of this Senate, to keep this issue alive, with respect to foundations.

We would like to hear what the ministers had to say with respect to our various recommendations, and this is a way that our rules provide for doing that.

Senator Cools: I would have thought that the ongoing study on the Main Estimates would always be of great interest to the responsible minister, and that the motion would not be necessary because such study is an ongoing thing. The Main Estimates study is unique. No other committee has that particular, special role. The situation is weakened by using rule 131 because that rule of the Senate is for committees doing other studies that the ministers may not even be aware of. The study of the Main Estimates is peculiar and a special thing, and it should not be weakened. As I said before, these ministers come before this committee often. As a matter of fact, some years ago the then minister, Maurizio Bevilacqua, came to the committee under the rubric of the Main Estimates to speak to the question of the foundations. The matter of the foundations is a matter that those ministers are very alive to. They do not need too much prodding to appear before the committee.

**Senator Day:** Thank you, Senator Cools. Yes, I do recall the Honourable Maurizio Bevilacqua coming before our committee, and his appearance is referred to on page 4 of the report and a summary of the information he gave us.

• (1440)

It was not our intent, nor was it the belief of our Standing Senate Committee on National Finance that we were doing so, to in any way weaken the procedure of the committee by doing this.

Hon. Terry Stratton (Deputy Leader of the Opposition): My question is with respect to foundations. My understanding is that the NDP budget, Bill C-48, provides the government with power to create new foundations and Crown corporations. I know the honourable senator cannot respond to Bill C-48 at this time, but when he was considering the subject of foundations, was his consideration related only to the past, the present and not the future? In other words, are these recommendations that he would make with respect to future or potential future foundations?

Senator Day: I thank the honourable senator for his question. We have used these new vehicles known as foundations for implementing public policy. We examined those that had been created in the last six, seven or eight years, and we considered the weaknesses or perceived weaknesses that we found. Based on our historical findings, we made recommendations about what should be done in the future if any other foundations were to be created.

Senator Stratton: One would expect that the recommendations would go to the minister responsible. Is this, in part, why particular ministers have been asked to respond within a certain period of time? Since Bill C-48 will be before us shortly, it is important that we have answers to those questions.

Senator Day: Yes, honourable senators, we chose 150 days because that is the time frame referred to rule 131(1) of the Rules of the Senate. The rule also requires that we send the report to the ministers responsible. That is why I have highlighted in the proposed amendment the specific ministers mentioned in our report who should be replying to the request.

Senator Tkachuk: Honourable senators, on page 3 there is a description not only of the foundations but also how they are funded. The majority, 16 of 23, are allowed to spend not only the interest but also the initial capital. The second group of seven receives only the funding interest. Examples of those are the Canada Foundation for Sustainable Development Technology, Canada Health Infoway and the Canada Millennium Scholarship Foundation.

From what I understand, there is a period of time that is agreed to within which all the money is disbursed, whether it is five years or one year or three years. Is that period of time included into the agreement, and is that then filed in a public place so that the taxpayer can have access to that information, say on a website? At the end of that period, who asks for additional money? Is that request made by those who administer the fund, the board of directors, or does the request come from the organizations themselves which receive the money? How does that work? How do we know when the time is right to wind these up?

**Senator Day:** The funding agreement for each particular foundation will provide for the manner of disbursing the funds over a period of time, and that varies depending on the funding agreement.

Having said that, some of these foundations are entitled to lever those funds in order to get other funds. For example, if a foundation created by the government wanted to invest in some scientific research, it could go to the institution doing the scientific research and offer to give it \$1 million for a \$3 million project if it can raise funds from other sources to cover the \$3 million. All of that detail is contained in each funding agreement.

Having reviewed these funding agreements, the point we make is that there is no one type of funding agreement, and that we should, as Parliament, be reviewing these in some detail. We should see them before a foundation is created rather than afterwards. We do have a say in this when an appropriation bill comes to this chamber. We do consider foundations then, but we are all busy with other details so we do not have an opportunity to conduct a detailed examination of these funding agreements. We do not focus on foundations as one item but rather as part of an entire series of appropriations for each government department. That is why it is important to examine these funding agreements.

The other question asked was: How do we know when a funding agreement comes to an end? If it is not amended, the agreement comes to an end when the funds have been disbursed, and the funds will be disbursed over the years specified in the funding agreement. However, we have discovered by reviewing two or three of these foundations that they have received supplementary funds. How did they get more funds? The government obviously decided that what they were doing was

worthwhile. They wanted that to continue. The foundation did not have the funds. The minister responsible would be advised of that, and so the government provided additional funding to that foundation.

That is when we have an opportunity to rectify these funding agreements that were wanting in certain aspects in the past. That is the point that we have made. If any new foundations are created, or if there is an amendment to the funding agreements of existing foundations, we believe that a committee of each House should have an opportunity to examine those amendments and those proposals.

Senator Cools: Honourable senators, I have many problems with the honourable senator's amendment. It is not an amendment. It is subsequent motion. He is not amending the report itself. It is a new motion, is it not?

Senator Day: I would thank Senator Cools. This is a motion to amend the motion to adopt the report. We should have included this in the report, but we did not. We have seen other reports with that provision. Rule 131(2) provides for that. However, we did not do that. Therefore, on behalf of the committee, I would move a motion to amend this report to add that provision, so that when, presumably, honourable senators accept the amendment, they will vote on the report as amended.

Senator Cools: The question is becoming even more muddied, because the proper place for a committee to amend a report —

Senator Lynch-Staunton: It is not amending a report.

Senator Cools: He just said so. He is amending the motion to adopt the report.

Senator Stratton: Perhaps the honourable senator would clarify that. My understanding is that he is amending the motion and not the report.

Senator Day: Thank you. Let me add to that by saying that I am doing this on behalf of the committee. At the time the committee adopted the report there was a motion that we would go through these steps and ask for this — in other words, that the report be sent to the minister, pursuant to our rules. We did not do it properly. We are now asking honourable senators to indulge us in that and to follow rule 131(2).

An Hon. Senator: Question!

Senator Cools: The proper way to have proceeded would have been to include that as one of the recommendations within the report. That would have been a better way.

However, I still have some problems with the phenomenon, because this committee has greater ability to bring these ministers before it than any other committee because this is the ministers' main business. Therefore, I do not understand why this is being requested.

Could the honourable senator tell the chamber what the possible impact of allowing this minister 150 days to respond could be on the final adoption of the report on these estimates?

• (1450)

Senator Day: Honourable senators, that is such a speculative question that I truly cannot answer it.

The Hon. the Speaker: I see no other senator rising to speak. Are honourable senators ready for the question?

Hon. Senators: Question!

The Hon. the Speaker: I will put the question on the motion in amendment.

It was moved by the Honourable Senator Day, seconded by the Honourable Senator Ferretti Barth, that the motion be amended by adding the following words:

and that, pursuant to rule 131(2), the Senate request a complete and detailed response to the report from the government, with the President of the Treasury Board and the Minister of Finance being identified as Ministers responsible for responding.

Is it your pleasure, honourable senators, to adopt the motion in amendment?

Some Hon. Senators: Agreed.

Senator Cools: No.

Motion in amendment agreed to, on division.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion, as amended?

Motion agreed to and report adopted, as amended.

#### THE ESTIMATES, 2005-06

THIRD INTERIM REPORT
OF NATIONAL FINANCE COMMITTEE ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Oliver, seconded by the Honourable Senator LeBreton, for the adoption of the twelfth report (third interim) of the Standing Senate Committee on National Finance (2005-2006 Main Estimates—Officers of Parliament), tabled in the Senate on May 19, 2005.

Hon. Joseph A. Day: Honourable senators, the twelfth report, third interim, of the Finance Committee on its study of the Main Estimates 2005-06 deals with another continuing mandate issue: officers of Parliament. Many senators have heard me speak to this issue in the past and I would expect that the debate will continue. Similar to the motion on the eleventh report, this motion should be amended.

#### MOTION IN AMENDMENT

Hon. Joseph A. Day: Honourable senators, I move, seconded by the Honourable Senator Ferretti Barth, that the motion be amended by adding the following words:

and that, pursuant to rule 131(2), the Senate request a complete and detailed response to the report from the government, with the President of the Treasury Board being identified as Minister responsible for responding.

Again, I would urge all senators to read the report carefully. There are fewer recommendations in the twelfth report than in the eleventh report because the committee focused on two issues only: the remuneration for officers of Parliament and the appointment process.

The term "officer of Parliament" is the subject of our report because it is not a defined term, and it was therefore necessary to develop that definition in the first part of the report.

We looked at five officers of Parliament: the Chief Electoral Officer, the Auditor General, the Privacy Commissioner, the Information Commissioner and the Commissioner of Official Languages. Some believe that the Public Service Commission and the Canadian Human Rights Commission should be included as offices of Parliament. We did not adopt that definition. We talked to each of the above five officers to determine their major concerns and how things worked for them. As a result, the committee has three recommendations for consideration by the Senate.

Independence from government and from cabinet is the important feature of an officer of Parliament, as defined in the committee's report. Officers of Parliament review government mechanisms and structures and provide information under their mandate to both Houses in respect of their review. That provides parliamentarians with the background information and evidence to hold accountable ministers and their ministries. Independence is critical. Officers of Parliament are the agents of senators and members. Therefore, the committee recommends that these officers be appointed by parliamentarians rather than by Governor-in-Council. Parliamentarians should play a role in choosing the individuals who will be their agents.

There are various means available to appoint such officers and the committee has made a recommendation to that effect. As well, it is necessary to have an appropriate budget to do the job relevant to the issue of independence. The current budget process is such that the officers of Parliament develop a budget in conjunction with the Treasury Board Secretariat and it is then given to Treasury Board. Thus, the role of parliamentarians is to review these estimates and talk about them after the fact, fait accompli.

The Auditor General is one of several who have pointed out the importance of reconsidering the manner in which the budget for officers of Parliament is determined. We reviewed a number of models, and the committee has not recommended a specific one. One model includes the Speaker of the Senate and the Speaker of the House of Commons reviewing the budget of the officer and then presenting the agreed-upon budget to Treasury Board for inclusion in the Main Estimates, without any debate. Another model is to choose a committee of knowledgeable peers not connected with Parliament who would make the

recommendation. I know the minds of honourable senators are racing ahead to the issue of fixing of judges' salaries and then tying parliamentarians' salaries to that. Each of these models brings with it a certain amount of experience and concern.

The committee did not study the issue in enough depth to make a final recommendation as to the manner in which it should be done, but it strongly recommends that officers of Parliament be independent. We must remember that they are our agents. They work for us to help us do our job. Therefore, we should play a more significant role in the manner in which they are appointed and the manner in which their funds are determined on an annual basis.

• (1500)

Honourable senators, I would urge your support of this particular report, and I urge you to support the amendments so that we can continue the dialogue with Treasury Board.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion in amendment?

Hon. Senators: Agreed.

Motion in amendment agreed to.

The Hon, the Speaker: We are now on the main motion.

Is it your pleasure, honourable senators, to adopt this report as amended?

Motion agreed to and report adopted, as amended.

#### NATIONAL BLOOD DONOR WEEK BILL

#### SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Milne, seconded by the Honourable Senator Christensen, for the second reading of Bill S-29, respecting a National Blood Donor Week.—(Honourable Senator Stratton)

Hon. Lorna Milne: Honourable senators, I believe there are no further senators wishing to speak on this item at second reading.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Milne, bill referred to the Standing Senate Committee on Social Affairs, Science and Technology.

[Translation]

#### PERSONAL WATERCRAFT BILL

#### SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Spivak, seconded by the Honourable Senator Murray, P.C., for the second reading of Bill S-12, concerning personal watercraft in navigable waters.

—(Honourable Senator Massicotte)

Hon. Paul J. Massicotte: Honourable senators, I would like to speak at second reading to Bill S-12, concerning personal watercraft in navigable waters. First, I wish to thank Senator Spivak and her team for their open-mindedness, assistance and understanding with respect to the changes and to my approach to dealing with certain problems raised by the bill.

This bill has been before the Senate for a long time. When I examined it, I wondered whether there could be a simpler, administrative solution to regulate personal watercraft without having to introduce new legislation.

[English]

After many consultations with Senator Spivak's office, the Minister of Transport, and officials from the department, we have made significant progress to resolving many of the personal watercraft problems, most of which relate to safety and noise.

The Department of Transport officials have confirmed their engagement to proceed with a new draft set of guidelines based on a U.S. model bill. These guidelines will be posted on the Department of Transport's website. The guidelines are also part of the personal watercraft pamphlet and will be available at all appropriate transport offices.

Since the problem with personal watercraft is not necessarily the craft, but rather the behaviour of the person operating the craft, these guidelines would show personal watercraft users how to behave using such apparatus. In addition, the industry has had reservations and concerns that concern targeting only personal watercraft and not other vessels. These guidelines would target the behaviour and not the personal watercraft, per se.

The Department of Transport will undertake a major marketing initiative in posting signage at strategic points where personal watercraft are more likely to congregate, reminding everyone of all the key safety rules. This initiative includes development of a plan that may involve the main manufacturers and may also include a parallel campaign to raise awareness with the enforcement community. I suspect that after a certain time, this kind of campaign will create a momentum, reducing dangerous behaviours with watercraft on Canadian waters.

Finally, the Department of Transport has agreed to amend the boating restriction regulations by adopting a schedule that, where local authorities so request, after appropriate public consultation with their constituents, all watercraft enter and depart those designated shores in a straight line course of 200 metres perpendicular to shore. This suggestion came from Senator Spivak's office, given her experience with other countries. This regulation would ensure that bathers, kayakers, canoeists, fishermen and other people enjoying the shore area would be at far less risk of being injured or killed by an accidental personal watercraft encounter. This limit would also significantly reduce the noise problems that many cottage owners have complained about over the years.

From the industry's point of view, this new schedule would not single out personal watercrafts, but would apply to all vessels. This is good progress.

#### [Translation]

The amendment will be part of the regulatory reform currently under way at the Department of Transport. The schedule would be published in Part 1 of the *Canada Gazette* in October 2005, with final publication in the *Canada Gazette* in September 2006.

#### [English]

These amendments are significant and would probably resolve the concerns addressed in Senator Spivak's personal watercraft bill. Therefore, I ask that if the Standing Senate Committee on Transport and Communications is asked to study this bill, in light of its improvements, it should consider the withdrawal or refusal of Bill S-12, to give place rather to those modifications and to wait and see what the final needs are. There is no sense having new laws created just in case.

Hon. John Lynch-Staunton: Would the Honourable Senator Massicotte accept a question?

Senator Massicotte: Certainly.

Senator Lynch-Staunton: This bill has been through the Senate and the House twice. Rather than going through the agony of reconsidering it, why do we not agree now to send it back to House of Commons?

#### • (1510)

Senator Massicotte: If the question is why the bill should be sent to the committee, I am not sure it should be sent to committee, but that is the usual process. If the questions are why not automatically approve a bill that has been previously approved and why did I make the effort to find solutions to the problems, it is because I am aware of the issue and the problems and think that a much more simple solution is to make amendments to the Personal Watercraft Act as it exists. Why create laws when they are not necessary?

Hon. Eymard G. Corbin: I also have a question for Senator Massicotte. He spoke in his comments of model U.S. legislation. I am curious to know if that is because of situations that would apply in international waters, of which we have an awful lot between our two countries.

Senator Massicotte: I take no credit for the water act. Senator Spivak has done an immense amount of research on the subject. A representative from her office and myself met with representatives of the transport department. They raised the example — and I do not think our government is aware of it — of a model act that exists in the United States for adoption by states. They are not prepared to adopt it, but they are prepared to post it on their websites as an example of how we should regulate or how operators of personal watercraft should use these machines. This model bill directs people on how they should use personal watercraft. It is an American example that comes to us with the help of Senator Spivak's office.

Senator Lynch-Staunton: If I may be a little clearer, my point is that this bill has been before us before. As I recall, it was passed twice. It went to the House of Commons twice and died because of dissolution or prorogation; therefore, it is back here. Why do we have to review it a third time? Would Senator Massicotte agree that we have gone through witnesses, debates and everything? Why do not we agree now to send it to the House of Commons? Why must we go through a third review of this bill?

**Senator Massicotte:** That is a good question. The reason we should look at it a third time is that with the amendments the government has accepted to make, which they have authorized me to announce, I do not think the bill is necessary as it currently sits.

**Senator Lynch-Staunton:** Did the government make the amendments on the two previous occasions?

Senator Massicotte: I understand there was not the flexibility — for some reason, the flexibility was not there. As parliamentarians, we owe it to Canada to seek improvements to the regulations and to the acts. I see it as my responsibility to make those efforts. For some reason, on this occasion, the government was flexible.

**Senator Lynch-Staunton:** I will let Senator Spivak have a last word. I would urge this chamber to move this bill as expeditiously as possible.

Hon. Bill Rompkey (Deputy Leader of the Government): If there is new information or indeed a new approach, it might be worthwhile to have the committee consider Senator Massicotte's comments and have the bill go through the regular procedure. I take Senator Lynch-Staunton's point that we have dealt with the bill before. However, if there is new information or new ideas or a new approach or new solutions, we should hear about them.

The Hon. the Speaker: As I pointed out, honourable senators, Senator Spivak's intervention will have the effect of closing debate on the matter.

Hon. Mira Spivak: I will not speak to this bill again. I recognize the progress that has been made. It is not sufficient to address all of the issues that were raised in the bill. However, I am not opposed to having it go to committee briefly again in view of Senator Massicotte's concerns. My preference would be to send it to the House of Commons, but I bow to his concerns.

The Hon. the Speaker: We have now concluded debate and I will put the motion.

It was moved by the Honourable Senator Spivak, seconded by the Honourable Senator Murray, that this bill be read the second time. Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Spivak, bill referred to the Standing Senate Committee on Energy, the Environment and Natural Resources.

#### BANKRUPTCY AND INSOLVENCY ACT

BILL TO AMEND—SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Moore, seconded by the Honourable Senator Phalen, for the second reading of Bill S-28, to amend the Bankruptcy and Insolvency Act (student loan). —(Honourable Senator Robichaud, P.C.)

Hon. Wilfred P. Moore: Honourable senators, I would ask His Honour to put the question.

The Hon. the Speaker: Are honourable senators ready for the question?

Hon. Senators: Question!

The Hon. the Speaker: It was moved by the Honourable Senator Moore, seconded by the Honourable Senator Phalen, that this bill be read the second time now. Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Moore, bill referred to the Standing Senate Committee on Banking, Trade and Commerce.

#### NATIONAL CANCER STRATEGY BILL

SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Forrestall, seconded by the Honourable Senator LeBreton, for the second reading of Bill S-26, to provide for a national cancer strategy.—(Honourable Senator Rompkey, P.C.)

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I would ask that His Honour put the question for second reading.

The Hon. the Speaker: Are honourable senators ready for the question?

Hon. Senators: Question!

The Hon. the Speaker: It was moved by the Honourable Senator Forrestall, seconded by the Honourable Senator LeBreton, that this bill be read the second time now. Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

The Hon. the Speaker: Honourable senators, when shall the bill be read the third time?

On motion of Senator Stratton, bill referred to the Standing Senate Committee on Social Affairs, Science and Technology.

[Later]

#### SPAM CONTROL BILL

#### SECOND READING—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Oliver, seconded by the Honourable Senator Cochrane, for the second reading of Bill S-15, to prevent unsolicited messages on the Internet.—(Subject-matter referred to the Standing Senate Committee on Transport and Communications on February 10, 2005)

Hon. Eymard G. Corbin: On a point of order, I seek clarification, honourable senators. There is a note attached to this Order Paper item stating "subject-matter referred to the Standing Senate Committee on Transport and Communications on February 10, 2005"; therefore, why is the item called every day?

The Hon. the Speaker: The best answer I can give is that it stays on the Order Paper because presumably a senator may wish to speak.

Hon. Bill Rompkey (Deputy Leader of the Government): That was the agreement.

The Hon. the Speaker: The bill is before a committee now without having been read a second time and passed. The agreement with all such items is that they remain on the Order Paper in their place until they come back to the Senate for debate.

Senator Corbin: Am I to understand that the matter could be debated in the house while the subject matter is in committee? Is that possible?

The Hon. the Speaker: Yes.

Order stands.

#### ROYAL CANADIAN MOUNTED POLICE ACT

BILL TO AMEND—SECOND READING—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Nolin, seconded by the Honourable Senator Andreychuk, for the second reading of Bill S-23, to amend the Royal Canadian Mounted Police Act (modernization of employment and labour relations).—(Honourable Senator Andreychuk)

Hon. Terry Stratton (Deputy Leader of the Opposition): Unfortunately, Senator Nolin, who would like this bill to remain on the Order Paper, has been absent for a considerable length of time travelling on Senate business. He would ask, with the permission of honourable senators, that the clock be rewound on this bill.

Hon. Senators: Agreed.

Order stands.

• (1520)

# EFFICACY OF GOVERNMENT IN IMPLEMENTING KYOTO PROTOCOL

NOTICE OF INQUIRY—ORDER STANDS

On Inquiry No. 19:

By the Honourable Senator Andreychuk:

That she will call the attention of the Senate to the failure of the government to address the issue of climate change in a meaningful, effective and timely way and, in particular, to the lack of early government action to attempt to reach the targets set in the Kyoto Protocol.

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, this matter stands in the name of Senator Andreychuk, but Senator McCoy has indicated that she would like to speak to it, although she is not here today. Could we adjourn the order in the name of Senator McCoy?

Hon. Terry Stratton (Deputy Leader of the Opposition): Senator Andreychuk will return tonight. I wish to speak to her before I respond to that.

Order stands.

The Senate adjourned until Thursday, June 2, 2005, at 1:30 p.m.



# **APPENDIX**

Officers of the Senate

The Ministry

Senators

(Listed according to seniority, alphabetically and by provinces)

Committees of the Senate

#### THE SPEAKER

The Honourable Daniel Hays

#### THE LEADER OF THE GOVERNMENT

The Honourable Jack Austin, P.C.

#### THE LEADER OF THE OPPOSITION

The Honourable Noël A. Kinsella

#### OFFICERS OF THE SENATE

#### CLERK OF THE SENATE AND CLERK OF THE PARLIAMENTS

Paul Bélisle

#### DEPUTY CLERK, PRINCIPAL CLERK, LEGISLATIVE SERVICES

Gary O'Brien

## LAW CLERK AND PARLIAMENTARY COUNSEL

Mark Audcent

#### USHER OF THE BLACK ROD

Terrance J. Christopher

#### THE MINISTRY

#### According to Precedence

#### (June 1, 2005)

The Right Hon. Paul Martin The Hon. Jacob Austin The Hon. Jean-C. Lapierre The Hon. Ralph E. Goodale The Hon. Anne McLellan

The Hon. Lucienne Robillard

The Hon. Stéphane Dion The Hon. Pierre Stewart Pettigrew The Hon. Andy Scott

The Hon. James Scott Peterson The Hon. Andrew Mitchell The Hon. William Graham The Hon. Albina Guarnieri The Hon. Reginald B. Alcock

The Hon. Geoff Regan The Hon. Tony Valeri The Hon. M. Aileen Carroll The Hon. Irwin Cotler The Hon. Ruben John Efford The Hon. Liza Frulla

The Hon. Giuseppe (Joseph) Volpe The Hon. Joseph Frank Fontana The Hon. Scott Brison The Hon. Ujjal Dosanjh The Hon. Ken Dryden The Hon. David Emerson The Hon. Belinda Stronach

The Hon. Ethel Blondin-Andrew The Hon. Raymond Chan The Hon. Claudette Bradshaw The Hon. John McCallum The Hon. Stephen Owen

The Hon. Joseph McGuire The Hon. Joseph Robert Comuzzi

The Hon. Mauril Bélanger

The Hon. Carolyn Bennett The Hon. Jacques Saada

The Hon. John Ferguson Godfrey The Hon. Tony Ianno Prime Minister

Leader of the Government in the Senate

Minister of Transport Minister of Finance

Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness

President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs

Minister of the Environment Minister of Foreign Affairs

Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians

Minister of International Trade Minister of Agriculture and Agri-Food

Minister of National Defence

Minister of Veterans Affairs

President of the Treasury Board and Minister responsible for the Canadian Wheat Board

Minister of Fisheries and Oceans

Leader of the Government in the House of Commons

Minister of International Cooperation

Minister of Justice and Attorney General of Canada

Minister of Natural Resources

Minister of Canadian Heritage and Minister responsible for Status of Women

Minister of Citizenship and Immigration

Minister of Labour and Housing

Minister of Public Works and Government Services

Minister of Health

Minister of Social Development

Minister of Industry

Minister of Human Resources and Skills Development and Minister responsible for Democratic Renewal

Minister of State (Northern Development) Minister of State (Multiculturalism)

Minister of State (Human Resources Development)

Minister of National Revenue

Minister of Western Economic Diversification and

Minister of State (Sport)

Minister of the Atlantic Canada Opportunities Agency Minister of State (Federal Economic Development Initiative for Northern Ontario)

Minister for Internal Trade, Deputy Leader of the Government in the House of Commons, Minister responsible for Official Languages and Associate Minister of National Defence

Minister of State (Public Health)

Minister of the Economic Development Agency of Canada for the Regions of Quebec and Minister responsible for La Francophonie

Minister of State (Infrastructure and Communities) Minister of State (Families and Caregivers)

# SENATORS OF CANADA

# ACCORDING TO SENIORITY

(June 1, 2005)

Senator	Designation	Post Office Address
THE HONOURABLE		
Jack Austin P.C.	Vancouver South	Vancouver, B.C.
Willie Adams	Nunavut	Rankin Inlet, Nunavut
Lowell Murray P.C.	Pakenham	Ottawa, Ont.
C William Doody	Harbour Main-Bell Island	St. John's, Nfld, & Lab.
Peter Alan Stollery	Bloor and Yonge	Toronto, Ont.
	Ottawa-Vanier	
Michael Kirby	South Shore	Halifax, N.S.
	Metro Toronto	
	Toronto Centre-York	
	Inkerman.	
Daniel Hays. Speaker	Calgary	Calgary, Alta.
Joyce Fairbairn, P.C.	Lethbridge	Lethbridge, Alta.
Colin Kenny	Rideau	Ottawa, Ont.
Pierre De Bané, P.C.	De la Vallière	Montreal, Oue.
Evmard Georges Corbin	Grand-Sault	Grand-Sault, N.B.
	Markham	
	Newfoundland and Labrador	
	Manitoba	
	British Columbia	
Gerald J. Comeau	Nova Scotia	Saulnierville, N.S.
Consiglio Di Nino	Ontario	Downsview, Ont.
Donald H. Oliver	Nova Scotia	Halifax, N.S.
Noël A. Kinsella	Fredericton-York-Sunbury	Fredericton, N.B.
John Buchanan, P.C.	Nova Scotia	Halifax, N.S.
John Lynch-Staunton	Grandville	Georgeville, Que.
James Francis Kelleher, P.C	Ontario	Sault Ste. Marie, Ont.
J. Trevor Eyton	Ontario	Caledon, Ont.
Wilbert Joseph Keon	Ottawa	Ottawa, Ont.
Michael Arthur Meighen	St. Marys	Toronto, Ont.
J. Michael Forrestall	Dartmouth and Eastern Shore	Dartmouth, N.S.
Janis G. Johnson	Winnipeg-Interlake	Gimli, Man.
A. Raynell Andreychuk	Regina	Regina, Sask.
Jean-Claude Rivest	Stadacona	Quebec, Que.
Terrance R. Stratton	Red River	St. Norbert, Man.
Marcel Prud'homme, P.C	La Salle	Montreal, Que.
Leonard J. Gustafson	Saskatchewan	Macoun, Sask.
David Ikachuk	. Saskatchewan	Saskatoon, Sask.
W. David Angus	. Alma	Montreal, Que.
Mariana I a Dantan	De Salaberry	Quebec, Que.
Communication D.C.	Ontario	Manotick, Ont.
Lice Pages	Langley-Pemberton-Whistler	Maple Ridge, B.C.
Sharon Caretaire D.C.	De la Durantaye	Laval, Que.
Landon Pearson	. Manitoba	Victoria Beach, Man.
John G Bryden	Ontario	Ottawa, Ont.
Rose Maria Losier Cool	New Brunswick	Bayfield, N.B.
Nose-ivialle Lusier-Cool	. Tracadie	Bathurst, N.B.

Senator	Designation	Post Office Address
Céline Hervieux-Payette, P.C.	Bedford	Montreal Que
William H. Rompkey, P.C.	North West River, Labrador	North West River Lahrador Nfld & Lah
orna Milne	Peel County	Brampton Ont
Marie-P. Poulin	Nord de l'Ontario/Northern Ontario	Ottawa, Ont.
Shirley Maheu	Rougemont	Saint-Laurent, Oue.
Wilfred P. Moore	Stanhope St./Bluenose	Chester, N.S.
Lucie Pépin	Shawinegan	Montreal, Oue.
Fernand Robichaud, P.C	New Brunswick	Saint-Louis-de-Kent, N.B.
Catherine S. Callbeck	Prince Edward Island	Central Bedeque, P.E.I.
Marisa Ferretti Barth	Repentigny	Pierrefonds, Que.
Serge Joyal, P.C	Kennebec	Montreal, Oue.
oan Cook	Newfoundland and Labrador	St. John's, Nfld. & Lab.
Ross Fitzpatrick	Okanagan-Similkameen	Kelowna, B.C.
Francis William Mahovlich	Toronto	Toronto, Ont.
Joan Thorne Fraser	De Lorimier	Montreal, Que.
Aurélien Gill	Wellington	Mashteuiatsh, Pointe-Bleue, Que.
	Toronto	
	Yukon Territory	
George Furey	Newfoundland and Labrador	St. John's, Nfld. & Lab.
Nick G. Sibbeston	Northwest Territories	Fort Simpson, N.W.T.
	Ontario	
Fommy Banks	Alberta	Edmonton, Alta.
ane Cordy	Nova Scotia	Dartmouth, N.S.
	Prince Edward Island	
Viola Léger	Acadie/New Brunswick	Moncton, N.B.
Mobina S. B. Jaffer	British Columbia	North Vancouver, B.C.
	Saurel	
Gerard A. Phalen	Nova Scotia	Glace Bay, N.S.
Joseph A. Day	Saint John-Kennebecasis	Hampton, N.B.
Michel Biron	Mille Isles	Nicolet, Que.
George S. Baker, P.C	Newfoundland and Labrador	Gander, Nfld. & Lab.
Raymond Lavigne	Montarville	Verdun, Que.
David P. Smith, P.C	Cobourg	Toronto, Ont.
Maria Chaput	Manitoba	Sainte-Anne, Man.
Pana Merchant	Saskatchewan	Regina, Sask.
Pierrette Ringuette	New Brunswick	Edmundston, N.B.
Percy Downe	Charlottetown	Charlottetown, P.E.I.
Paul J. Massicotte	De Lanaudière	Mont-Saint-Hilaire, Que.
Mac Harb	Ontario	Ottawa, Ont.
Madeleine Plamondon	The Laurentides	Shawinigan, Que.
Marilyn Trenholme Counsell	New Brunswick	Sackville, N.B.
Terry M. Mercer	Northend Halifax	Caribou River, N.S.
lim Munson	Ottawa/Rideau Canal	Ottawa, Ont.
Claudette Tardif	Alberta	Edmonton, Alta.
	Alberta	
	Alberta	
Robert W Peterson	Saskatchewan	Regina, Sask.
RODELL W. Lettison	O 1 1	Sackatoon Sack
Lillian Eva Dvck	Saskatchewan	Saskatoon, Sask.
Lillian Eva Dyck	Ontario	Toronto, Ont.
Lillian Eva Dyck	Ontario	Toronto, Ont. Toronto, Ont.
Lillian Eva Dyck	Saskatchewan. Ontario Cluny Gulf	Toronto, Ont. Toronto, Ont.

# SENATORS OF CANADA

#### ALPHABETICAL LIST

(June 1, 2005)

Senator	Designation	Post Office Address	Political Affiliation
The Honourable			
	AT.	Dankin Inlat Numarust	Liboral
Adams, Willie	Nunavut	Rankin Inlet, Nunavut	Conservative
Andreychuk, A. Raynell	Alma	Montreal, Que.	Conservative
Angus, W. David	Markham	Toronto, Ont.	Progressive Conservative
Atkins, Norman K	Vancouver South	Vancouver, B.C.	Liberal
Rosan Lisa	De la Durantave	Laval, Que	Liberal
Bacon, Lise	Newfoundland and Labrador	Gander, Nfld. & Lab	Liberal
Darke Tommy	Alberta	Edmonton, Alta.	Liberal
Piron Michel	Mille Isles	Nicolet, Que	Liberal
Bryden John G	New Rrunswick	Bayfield, N.B.	Liberal
Buchanan John P.C.	Halifay	. Halifax, N.S.	Conservative
Callbeck Catherine S	Prince Edward Island	. Central Bedeque, P.E.I.	Liberal
Carney Pat P C	British Columbia	Vancouver, B.C.	. Conservative
Carstairs Sharon P.C.	Manitoba	. Victoria Beach, Man	. Liberal
Chaput Maria	Manitoba	. Sainte-Anne, Man	. Liberal
Christensen, Ione	. Yukon Territory	. Whitehorse, Y.T	. Liberal
Cochrane, Ethel	. Newfoundland and Labrador	. Port-au-Port, Nfld. & Lab	. Conservative
Comeau, Gerald J	. Nova Scotia	. Saulnierville, N.S	. Conservative
Cook. Joan	Newfoundland and Labrador	. St. John's, Nfld. & Lab	. Liberal
Cools, Anne C	Toronto Centre-York	. Toronto, Ont	. Conservative
Corbin, Eymard Georges	Grand-Sault	. Grand-Sault, N.B	. Liberal
Cordy, Jane	Nova Scotia	. Dartmouth, N.S	. Liberal
Cowan, James S	Nova Scotia	. Halifax, N.S.	. Liberal
Dallaire, Roméo Antonius	Gulf	. Sainte-Foy, Que	Liberal
Day, Joseph A	Saint John-Kennebecasis	. Hampton, N.B	Liberal
De Bané, Pierre, P.C	De la Vallière	. Montreal, Que	Liberal
Di Nino, Consiglio	Ontario	. Downsview, Ont	. Conservative
Doody, C. William	Harbour Main-Bell Island	. St. John's, Nfld. & Lab	Progressive Conservative
Downe, Percy	Charlottetown	. Charlottetown, P.E.I	Liberal
		. Saskatoon, Sask	
		. Toronto, Ont.	
		. Caledon, Ont	
Fairbairn, Joyce, P.C.	Lethbridge	. Lethbridge, Alta	. Liberal
Ferretti Barth, Marisa	Repentigny	. Pierrefonds, Que	Liberal
Finnerty, Isobel	Ontario	Burlington, Ont	. Liberal
Fitzpatrick, Ross	Okanagan-Similkameen	. Kelowna, B.C.	Liberal
Forrestall, J. Michael	. Dartmouth and the Eastern Shore	Dartmouth, N.S.	Conservative
Fraser, Joan Inorne	De Lorimier Value de la landa de	. Montreal, Que	Liberal
Cill Augilian	Newloundland and Labrador	. St. John's, Nfld. & Lab	Liberal
Grafetain Jarahmial S	Motro Toronto	Toronto, Ont	Liberal
Gustafson Leonard I	Saskatchawan	. Toronto, Ont	Conservativa
Harb Mac	Ontario	Ottawa, Ont.	Liberal
Have Daniel Speaker	Calgary	Calgary, Alta.	Liberal
Hervieux-Payette Céline P.C.	Redford	. Montreal, Que	Liberal
Hubley Flizabeth M	Prince Edward Island	Kensington, P.E.I.	Liberal
Iaffer Mobina S R	British Columbia	North Vancouver, B.C.	Liberal
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		Post Office	Political
Senator	Designation	Address	Affiliation
Johnson Janis G	Winnings-Interlake	Gimli, Man	Conservative
		Montreal, Que.	
		Sault Ste. Marie, Ont.	
		Ottawa, Ont.	
Keon Wilhert Joseph	Ottawa	Ottawa, Ont.	Conservative
Kinsella Noël A	Fredericton-Vork-Sunbury	Fredericton, N.B.	Conservative
		Halifax, N.S.	
		Magog, Que.	
		Verdun, Que.	
LeBreton Mariory	Ontario	Manotick, Ont.	Conservative
Léger Viola	Acadie/New Brunswick	Moncton, N.B.	Liberal
		Bathurst, N.B.	
		Georgeville, Que	
Mahen Shirley	Rougemont	Saint-Laurent, Que.	Liberal
		Toronto, Ont.	
Massicotte, Paul J.	.De Lanaudière	Mont-Saint-Hilaire, Que.	Liberal
		Calgary, Alta.	
Meighen, Michael Arthur	.St. Marvs	Toronto, Ont.	Conservative
Mercer, Terry M	Northend Halifax	Caribou River, N.S.	Liberal
		Regina, Sask.	
Milne, Lorna	Peel County	Brampton, Ont.	Liberal
Mitchell, Grant	Alberta	Edmonton, Alta	Liberal
Moore, Wilfred P	.Stanhope St./Bluenose	Chester, N.S.	Liberal
Munson, Jim	.Ottawa/Rideau Canal	Ottawa, Ont	Liberal
Murray, Lowell, P.C.	Pakenham	Ottawa, Ont	Progressive Conservative
Nancy Ruth	.Cluny	Toronto, Ont.	Progressive Conservative
Nolin, Pierre Claude	.De Salaberry	Quebec, Que	Conservative
		Halifax, N.S.	
		Ottawa, Ontario	
Pépin, Lucie	.Shawinegan	Montreal, Que	Liberal
Peterson, Robert W	.Saskatchewan	Regina, Sask	Liberal
Phalen, Gerard A	.Nova Scotia	Glace Bay, N.S	Liberal
		Ottawa, Ont	
Plamondon, Madeleine	.The Laurentides	Shawinigan, Que	Independent
		Ottawa, Ont	
Poy, Vivienne	.Toronto	Toronto, Ont	. Liberal
Prud'homme, Marcel, P.C	.La Salle	Montreal, Que	Independent
Ringuette, Pierrette	.New Brunswick	Edmundston, N.B	Liberal
Rivest, Jean-Claude	Stadacona	Quebec, Que	Independent
Robichaud, Fernand, P.C	.New Brunswick	Saint-Louis-de-Kent, N.B	Liberal
Rompkey, William H., P.C	.North West River, Labrador	North West River, Labrador, Nfld. & Lab.	Liberal
St. Germain, Gerry, P.C	.Langley-Pemberton-Whistler	Maple Ridge, B.C.	. Conservative
Sibbeston, Nick G	.Northwest Territories	Fort Simpson, N.W.T	Liberal
Smith, David P., P.C.	.Cobourg	Toronto, Ont.	Liberal
		Winnipeg, Man	
Stollery, Peter Alan	.Bloor and Yonge	Toronto, Ont.	Liberal
Stratton, Terrance R	Red River	St. Norbert, Man.	Conservative
		Edmonton, Alta	
Tkachuk David	Saskatchewan	Saskatoon, Sask	. Conservative
TRACITUR, David			W 11 1
Trenholme Counsell, Marilyn.	.New Brunswick	Sackville, N.B	. Liberal

# SENATORS OF CANADA

# BY PROVINCE AND TERRITORY

(June 1, 2005)

# ONTARIO—24

Senator	Designation	Post Office Address
THE HONOURABLE		
Lowell Murray, P.C.	Pakenham	Ottawa
Peter Alan Stollery	Bloor and Yonge	Toronto
Peter Michael Pitfield, P.C.	Ottawa-Vanier	Ottawa
Jerahmiel S. Grafstein	Metro Toronto	Toronto
Anne C. Cools	Toronto Centre-York	Toronto
Colin Kenny	Rideau	Ottawa
Norman K. Atkins		Toronto
3 Consiglio Di Nino		Downsview
James Francis Kelleher, P.C.		
John Trevor Eyton		
Wilbert Joseph Keon	Ottawa	Ottawa
Michael Arthur Meighen	St. Marys	Toronto
Mariory LeBreton	Ontario	Manotick
4 Landon Pearson	Ontario	Ottawa
	Peel County	
6 Marie-P. Poulin	Northern Ontario	Ottawa
	Toronto	
8 Vivienne Pov	Toronto	Toronto
	Ontario	
	Cobourg	
	Ontario	
	Ottawa/Rideau Canal	
	Ontario	
	Cluny	

## SENATORS BY PROVINCE AND TERRITORY

# QUEBEC-24

	Senator	Designation	Post Office Address
	THE HONOURABLE		
1	Charlie Watt	Inkerman	Kuujjuaq
2	Pierre De Bané, P.C.	De la Valliere	Montreal
3	John Lynch-Staunton	Grandville	Georgeville
	Jean-Claude Rivest		
2	Marcel Prud'homme, P.C	La Salle	Montreal
7	W. David Angus	De Selehamu	Montreal
0	Pierre Claude Nolin	De Salaberry	Quebec
0	Lise Bacon		
10	Céline Hervieux-Payette, P.C Shirley Maheu	Pougement	Villa de Saint I aurent
11	Lucie Pépin		
12	Marisa Ferretti Barth		
13	Serge Joyal, P.C.	Kennebec	Montreal
14	Joan Thorne Fraser	De Lorimier	Montreal
15	Aurélien Gill		
	Jean Lapointe	Saurel	Magog
17	Michel Biron	Milles Isles	Nicolet
18	Raymond Lavigne		
19	Paul J. Massicotte	De Lanaudière	Mont-Saint-Hilaire
20	Madeleine Plamondon	The Laurentides	Shawinigan
21	Roméo Antonius Dallaire	Gulf	Sainte-Foy
22			
23			
24			

## SENATORS BY PROVINCE-MARITIME DIVISION

#### **NOVA SCOTIA—10**

Senator	Designation	Post Office Address
THE HONOURABLE		
2 Gerald J. Comeau 3 Donald H. Oliver 4 John Buchanan, P.C. 5 J. Michael Forrestall 6 Wilfred P. Moore 7 Jane Cordy 8 Gerard A. Phalen 9 Terry M. Mercer	South Shore Nova Scotia Nova Scotia Halifax Dartmouth and the Eastern Shore Stanhope St./Bluenose Nova Scotia Nova Scotia Northend Halifax Nova Scotia	Saulnierville Halifax Halifax Chester Dartmouth Glace Bay Caribou River

## **NEW BRUNSWICK—10**

	Senator	Designation	Post Office Address
	THE HONOURABLE		
	Eymard Georges Corbin		
	John G. Bryden		
4	Rose-Marie Losier-Cool	Tracadie	Bathurst
4	Fernand Robichaud, P.C	Saint-Louis-de-Kent	Saint-Louis-de-Kent
6	Viola Léger	Acadie/New Brunswick	Moncton

6 Viola Léger . Acadie/New Brunswick . Moncton
7 Joseph A. Day . Saint John-Kennebecasis, New Brunswick Hampton
8 Pierrette Ringuette . New Brunswick . Edmundston
9 Marilyn Trenholme Counsell . New Brunswick . Sackville
10

#### PRINCE EDWARD ISLAND—4

	Senator	Designation	Post Office Address
	THE HONOURABLE		
2	Percy Downe	Prince Edward Island Prince Edward Island Charlottetown	Kensington

Senator

#### SENATORS BY PROVINCE-WESTERN DIVISION

# MANITOBA—6

	Senator	Designation	Post Office Address
	THE HONOURABLE		
1	Mira Spivak	Manitoba	Winnipeg
2	Janis G. Johnson	Winnipeg-Interlake	Gimli
	Terrance R. Stratton		
	Sharon Carstairs, P.C		
	Maria Chaput		
_			

## **BRITISH COLUMBIA—6**

Post Office Address

	THE HONOURABLE		
2 3 4 5	Pat Carney, P.C. Gerry St. Germain, P.C. Ross Fitzpatrick	Vancouver South	Vancouver Maple Ridge Kelowna

Designation

# SASKATCHEWAN—6

Senator	Designation	Post Office Address
THE HONOURABLE  1 A. Raynell Andreychuk  2 Leonard J. Gustafson  3 David Tkachuk  4 Pana Merchant  5 Robert W. Peterson  6 Lillian Eva Dyck	Saskatchewan Saskatchewan Saskatchewan Saskatchewan	Macoun Saskatoon Regina Regina

# ALBERTA—6

Senator	Designation	Post Office Address
THE HONOURABLE  1 Daniel Hays, Speaker  2 Joyce Fairbairn, P.C.  3 Tommy Banks	Lethbridge	Lethbridge
4 Claudette Tardif 5 Grant Mitchell 6 Elaine McCoy	Alberta	Edmonton

# SENATORS BY PROVINCE AND TERRITORY

# NEWFOUNDLAND AND LABRADOR—6

S	Senator	Designation	Post Office Address	
2 H 3 V 4 J 5 (	Ethel Cochrane	Harbour Main-Bell Island Newfoundland and Labrador North West River, Labrador Newfoundland and Labrador Newfoundland and Labrador Newfoundland and Labrador Newfoundland and Labrador	Port-au-Port North West River, Labrador St. John's St. John's	
NORTHWEST TERRITORIES—1				
S	Senator	Designation	Post Office Address	
1 1	THE HONOURABLE  Nick G. Sibbeston	Northwest Territories	Fort Simpson	
NUNAVUT—1				
,	Senator	Designation	Post Office Address	
1	THE HONOURABLE Willie Adams	Nunavut	Rankin Inlet	
YUKON TERRITORY—1				
	Senator	Designation	Post Office Address	
1	THE HONOURABLE  Ione Christensen	. Yukon Territory	Whitehorse	

#### ALPHABETICAL LIST OF STANDING, SPECIAL AND JOINT COMMITTEES

(As of June 1, 2005)

Ex Officio Member

#### ABORIGINAL PEOPLES

Chair: Honourable Senator Sibbeston

Deputy Chair: Honourable Senator St. Germain

**Honourable Senators:** 

Ingus, Austin.

(or Rompkey) Buchanan,

Christensen, Fitzpatrick,

Gustafson,

\* Kinsella,

(or Stratton) Léger,

Peterson,

Watt.

Sibbeston, St. Germain.

Pearson,

Original Members as nominated by the Committee of Selection

Angus, \*Austin, (or Rompkey), Buchanan, Christensen, Fitzpatrick, Gustafson, \*Kinsella (or Stratton), Léger, Mercer, Pearson, Sibbeston, St. Germain, Trenholme Counsell, Watt

#### AGRICULTURE AND FORESTRY

Chair: Honourable Senator Fairbairn

Deputy Chair: Honourable Senator Gustafson

**Jonourable Senators:** 

Austin, (or Rompkey) Callbeck,

airbairn,

Gill. Gustafson,

Hubley,

Kelleher,

\* Kinsella.

(or Stratton) Mercer.

Oliver.

Peterson. Tkachuk.

Mitchell,

Original Members as nominated by the Committee of Selection

\*Austin, (or Rompkey), Callbeck, Fairbairn, Gustafson, Harb, Hubley, Kelleher, \*Kinsella (or Stratton), Mahovlich, Mercer, Oliver, Ringuette, Sparrow, Tkachuk.

#### BANKING, TRADE AND COMMERCE

Chair: Honourable Senator Grafstein

Deputy Chair: Honourable Senator Angus

Ionourable Senators:

Angus, lustin,

(or Rompkey) Biron,

Cools,

Fitzpatrick, Grafstein, Kelleher,

\* Kinsella.

Moore,

(or Stratton) Massicotte,

Munson,

Plamondon, Ringuette,

Tkachuk.

Original Members as nominated by the Committee of Selection

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#### ENERGY. THE ENVIRONMENT AND NATURAL RESOURCES

#### Chair: Honourable Senator Banks

Deputy Chair: Honourable Senator Cochrane

#### Honourable Senators:

Adams.

Buchanan.

Gustafson, Kenny,

Lavigne, Milne.

Angus. Austin, Christensen, Cochrane,

\* Kinsella,

Spivak.

(or Rompkey)

Finnerty,

(or Stratton)

Banks,

#### Original Members as nominated by the Committee of Selection

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#### FISHERIES AND OCEANS

Chair: Honourable: Senator Comeau

Deputy Chair: Honourable Senator Hubley

#### Honourable Senators:

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\* Austin. (or Rompkey) Comeau,

Cowan, Hubley,

Johnson.

\* Kinsella

(or Stratton) Mahovlich,

Meighen,

Merchant.

Phalen, St. Germain,

Watt.

#### Original Members as nominated by the Committee of Selection

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#### Chair: Honourable Senator Stollery

Deputy Chair: Honourable Senator Di Nino

#### **Honourable Senators:**

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\* Austin, (or Rompkey) Carney,

Corbin,

De Bané, Di Nino, Downe,

Eyton, Grafstein,

\* Kinsella, (or Stratton) Mahovlich.

Prud'homme. Robichaud, Stollery.

## Original Members as nominated by the Committee of Selection

Andreychuk, \*Austin, (or Rompkey), Carney, Corbin, De Bané, Di Nino, Downe, Eyton, Grafstein, \*Kinsella (or Stratton), Poy, Prud'homme, Robichaud, Stollery.

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Chair: Honourable Senator Andreychuk

Deputy Chair: Honourable Senator Pearson

Honourable Senators:

Andreychuk,

Austin, (or Rompkey) Baker.

Carstairs. Ferretti Barth. Kinsella,

(or Stratton) LeBreton.

Losier-Cool,

Oliver. Pearson.

Poy.

Original Members as nominated by the Committee of Selection

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#### INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

Chair: Honourable Senator Furey

Deputy Chair: Honourable Senator Nolin

Honourable Senators:

\*Austin. (or Rompkey)

Day,

Banks, Cook.

De Bané. Di Nino,

Furey, Jaffer.

Kenny,

Keon.

\* Kinsella. (or Stratton)

Lynch-Staunton, Massicotte,

Nolin.

Poulin. Smith.

Stratton.

Original Members as nominated by the Committee of Selection

\*Austin, (or Rompkey), Banks, Cook, Day, De Bané, Di Nino, Furey, Jaffer, Kenny, Keon, \*Kinsella (or Stratton), Lynch-Staunton, Massicotte, Nolin, Poulin, Robichaud, Stratton.

#### LEGAL AND CONSTITUTIONAL AFFAIRS

Chair: Honourable Senator Bacon

Deputy Chair: Honourable Senator Eyton

Honourable Senators:

Andreychuk,

Austin. (or Rompkey) Bacon.

Cools.

Eyton, Hubley,

Joyal,

\* Kinsella.

(or Stratton) Milne,

Nolin,

Pearson,

Ringuette, Rivest,

Sibbeston.

Original Members as nominated by the Committee of Selection

Andreychuk, \*Austin, (or Rompkey), Bacon, Cools, Eyton, Joyal, \*Kinsella (or Stratton), Mercer, Milne, Nolin, Pearson, Ringuette, Rivest, Sibbeston.

#### LIBRARY OF PARLIAMENT (Joint)

#### Joint Chair: Honourable Senator Trenholme Counsell

Vice-Chair:

Honourable Senators:

Lapointe, LeBreton. Poy,

Stratton,

Trenholme Counsell.

Original Members agreed to by Motion of the Senate Lapointe, LeBreton, Poy, Stratton, Trenholme Counsell.

#### NATIONAL FINANCE

Chair: Honourable Senator Oliver

Deputy Chair: Honourable Senator Day

Honourable Senators:

\* Austin.

Comeau,

(or Rompkey) Biron.

Cools,

Day,

Downe. Ferretti Barth, Harb,

\* Kinsella, (or Stratton) Mitchell,

Murray,

Oliver, Ringuette,

Stratton.

Original Members as nominated by the Committee of Selection

\*Austin, (or Rompkey), Biron, Comeau, Cools, Day, Ferretti Barth, Finnerty, Harb, \*Kinsella (or Stratton), Mahovlich, Murray, Oliver, Ringuette, Stratton.

#### NATIONAL SECURITY AND DEFENCE

Chair: Honourable Senator Kenny

Deputy Chair: Honourable Senator Forrestall

Honourable Senators:

Atkins,

\* Austin, (or Rompkey) Banks,

Cordy, Day,

Forrestall,

Kenny,

\* Kinsella, (or Stratton) Meighen,

Munson, Nolin.

Original Members as nominated by the Committee of Selection

Atkins, \*Austin, (or Rompkey), Banks, Cordy, Day, Forrestall, Kenny, \*Kinsella (or Stratton), Lynch Staunton, Meighen, Munson.

#### **VETERANS AFFAIRS**

#### (Subcommittee of National Security and Defence)

Chair: Honourable Senator Meighen

Deputy Chair: Honourable Senator Day

**Honourable Senators:** 

(or Rompkey)

Atkins. Austin,

Day,

Forrestall, Kenny,

\* Kinsella,

(or Stratton)

Meighen.

OFFICIAL LANGUAGES

Chair: Honourable Senator Corbin

Deputy Chair: Honourable Senator Buchanan

**Honourable Senators:** 

Austin. (or Rompkey)

Buchanan.

Chaput,

Comeau, Corbin,

Jaffer.

\* Kinsella. (or Stratton) Léger,

Murray, Tardif.

Original Members as nominated by the Committee of Selection

\*Austin, (or Rompkey), Chaput, Comeau, Corbin, Jaffer, \*Kinsella (or Stratton), Lavigne, Léger, Meighen, Merchant, St. Germain.

RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

Chair: Honourable Senator Smith

Deputy Chair: Honourable Senator Lynch-Staunton

**Honourable Senators:** 

Andreychuk,

Austin,

(or Rompkey) Chaput, Cools,

Di Nino,

Fraser, Furey,

Jaffer, Joyal, \* Kinsella,

(or Stratton) LeBreton,

Lynch-Staunton,

Maheu,

Milne,

Mitchell, Robichaud,

Smith.

Original Members as nominated by the Committee of Selection

Andreychuk, \*Austin, (or Rompkey), Chaput, Cools, Di Nino, Fraser, Furey, Jaffer, Joyal, \*Kinsella (or Stratton), LeBreton, Lynch Staunton, Maheu, Milne, Poulin, Robichaud, Smith.

#### SCRUTINY OF REGULATIONS (Joint)

Joint Chair: Honourable Bryden

Vice-Chair:

Honourable Senators:

Baker,

Bryden,

Kelleher,

Moore,

Biron, Hervieux-Payette,

Lynch-Staunton,

Nolin.

Original Members as agreed to by Motion of the Senate

Baker, Biron, Bryden, Hervieux-Payette, Kelleher, Lynch-Staunton, Moore, Nolin.

#### SELECTION

Chair: Honourable Senator Losier-Cool

Deputy Chair: Honourable Senator LeBreton

Honourable Senators:

\* Austin,

Carstairs,

\* Kinsella,

Losier-Cool,

(or Rompkey)

Comeau,

(or Stratton)

Rompkey,

Bacon,

Fairbairn,

LeBreton.

Stratton,

Tkachuk.

Original Members agreed to by Motion of the Senate

\*Austin, (or Rompkey), Bacon, Carstairs, Comeau, Fairbairn, \*Kinsella (or Stratton), LeBreton, Losier-Cool, Rompkey, Stratton, Tkachuk.

#### SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

Chair: Honourable Senator Kirby

Deputy Chair: Honourable Senator Keon

Honourable Senators:

\* Austin,

(or Rompkey)

Callbeck, Cochrane.

Cook.

Gill.

Cordy,

Fairbairn,

Johnson, Keon.

\* Kinsella,
(or Stratton)

Kirby, LeBreton,

Pépin,

Trenholme Counsell.

Original Members as nominated by the Committee of Selection

\*Austin, (or Rompkey), Callbeck, Cochrane, Cook, Cordy, Fairbairn, Gill, Johnson, Keon, \*Kinsella (or Stratton), Kirby, LeBreton, Morin, Pépin.

#### TRANSPORT AND COMMUNICATIONS

Chair: Honourable Senator Fraser

Deputy Chair: Honourable Senator Tkachuk

Honourable Senators:

Austin,

Chaput,

(or Rompkey) Carney,

Eyton,

Fraser, Johnson, \* Kinsella.

(or Stratton) Merchant,

Munson,

Phalen. Tkachuk,

Trenholme Counsell.

Original Members as nominated by the Committee of Selection

\*Austin, (or Rompkey), Baker, Carney, Eyton, Fraser, Gill, Johnson, \*Kinsella (or Stratton), LaPierre, Merchant, Munson, Phalen, Tkachuk, Trenholme Counsell.

#### THE SPECIAL SENATE COMMITTEE ON THE ANTI-TERRORISM ACT

Chair: Honourable Senator Fairbairn

Deputy Chair: Honourable Senator Lynch-Staunton

**Honourable Senators:** 

Andreychuk,

Austin. (or Rompkey)

Day,

Fairbairn,

Fraser,

Jaffer,

Joyal,

\* Kinsella,

(or Stratton)

Lynch-Staunton,

Smith.

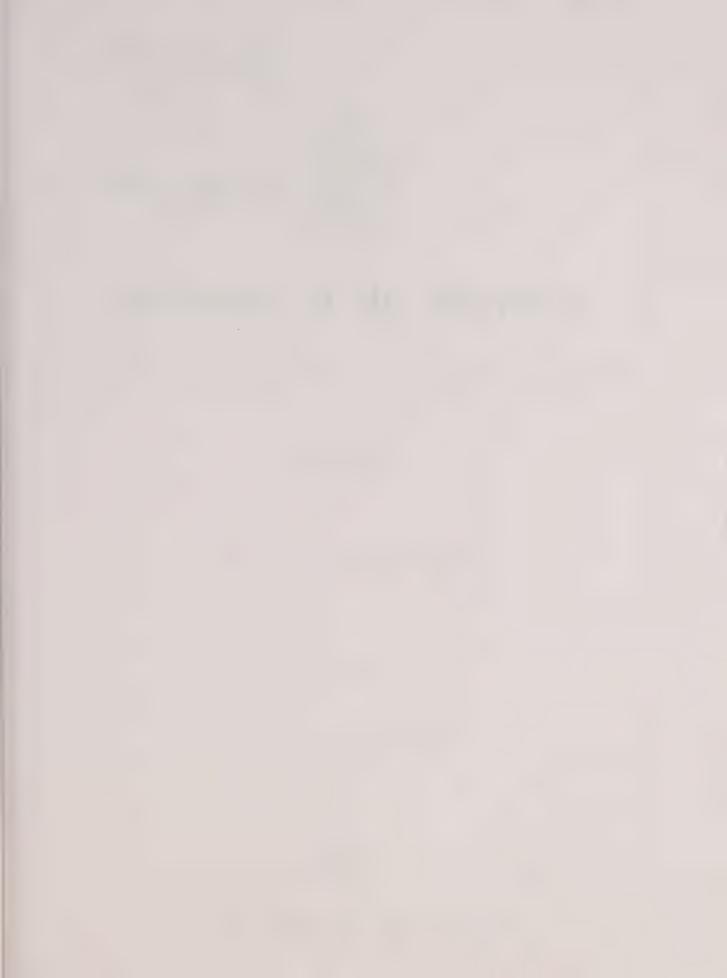
Original Members as nominated by the Committee of Selection

Andreychuk, \*Austin, P.C (or Rompkey), Day, Fairbairn, Fraser, Harb, Jaffer, Joyal, \*Kinsella (or Stratton), Lynch-Staunton.

#### CONTENTS

#### Wednesday, June 1, 2005

PAGE	PAGE
SENATORS' STATEMENTS	ORDERS OF THE DAY
Universal Health Care Hon. Marilyn Trenholme Counsell	The Estimates, 2005-06 Second Interim Report of National Finance Committee Adopted. Hon. Joseph A. Day
The Right Honourable Brian Mulroney Congratulations on Citation as "Greenest" Prime Minister. Hon. Marjory LeBreton	Motion in Amendment.  Hon. Joseph A. Day. 1375  Hon. David Tkachuk 1375  Hon. John Lynch-Staunton 1376  Hon. Anne C. Cools 1377
ROUTINE PROCEEDINGS	Hon. Terry Stratton
Assemblée parlementaire de la Francophonie Meeting of Parliamentary Affairs Committee, April 25-26, 2005— Report Tabled. Hon. Pierre De Bané	The Estimates, 2005-06 Third Interim Report of National Finance Committee Adopted. Hon. Joseph A. Day
	National Blood Donor Week Bill (Bill S-29)
QUESTION PERIOD	Second Reading. Hon. Lorna Milne
The Environment  Kyoto Protocol—Management of Funding Portfolio.	Personal Watercraft Bill (Bill S-12)
Hon. Terry Stratton         1370           Hon. Jack Austin         1370	Second Reading. Hon. Paul J. Massicotte
Finance Bank Mergers—Release of Guidelines. Hon. W. David Angus	Hon. Eymard G. Corbin1381Hon. Bill Rompkey1381Hon. Mira Spivak1381Referred to Committee1382
Privy Council Indian Residential Schools Resolution—Funding of Settlements Pending Report of Government Representative.	Bankruptcy and Insolvency Act (Bill S-28) Bill to Amend—Second Reading. Hon. Wilfred P. Moore
Hon. Gerry St. Germain	Referred to Committee
Binding Nature of Government Representative's Report. Hon. Gerry St. Germain	National Cancer Strategy Bill (Bill S-26) Second Reading.
Hon. Jack Austin	Hon. Terry Stratton
Finance Policy on Hedge Funds and Cross-Pillar Mergers Among Financial Institutions.	Spam Control Bill (Bill S-15)
Hon. W. David Angus 1373 Hon. Jack Austin 1373	Second Reading—Order Stands.  Hon. Eymard G. Corbin
Delayed Answer to Oral Question Hon. Bill Rompkey	Royal Canadian Mounted Police Act (Bill S-23)
Privy Council Office	Bill to Amend—Second Reading—Order Stands. Hon. Terry Stratton
Commission of Inquiry into the Sponsorship Program and Advertising Activities—Strategic Office for Preparing Government Responses.  Question by Senator LeBreton.  Hon. Bill Rompkey (Delayed Answer)	Efficacy of Government in Implementing Kyoto Protocol Notice of Inquiry—Order Stands. Hon. Bill Rompkey 1383 Hon. Terry Stratton 1383
	Appendix





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CANADA

# Debates of the Senate

1st SESSION

38th PARLIAMENT

VOLUME 142

NUMBER 66

OFFICIAL REPORT (HANSARD)

Thursday, June 2, 2005

THE HONOURABLE DANIEL HAYS SPEAKER

#### **CONTENTS**

(Daily index of proceedings appears at back of this issue).



#### THE SENATE

Thursday, June 2, 2005

The Senate met at 1:30 p.m., the Speaker in the chair.

Prayers.

## SENATORS' STATEMENTS

#### THE SENATE

PROCLAMATION OF CONFLICT OF INTEREST RULES

Hon. Jack Austin (Leader of the Government): Honourable senators, following the adoption by this chamber of our conflict of interest rules last month, I am now able to advise as to the implementation by the Governor-in-Council of the provisions of Bill C-4, to amend the Parliament of Canada Act. All provisions in the bill in respect of the Ethics Commissioner for members of the House of Commons came into force on May 17, 2004.

All provisions relating to the Senate Ethics Officer came into force on February 25, 2005. As of that date, the only provisions of Bill C-4 that were not in effect were: (a) the provision repealing sections 14 and 15 of the Parliament of Canada Act, which in effect set out prohibitions regarding senators' benefiting from or being parties to contracts with the Government of Canada; and (b) the provision repealing sections 34 to 40, which are equivalent provisions prohibiting members of the House of Commons from being parties to or benefiting from contracts with the Government of Canada.

I am pleased to advise that on June 1, 2005, the Governor-in-Council brought these remaining provisions into force, with the effect that the code of conduct or conflict of interest rules, as adopted by the Senate and the House of Commons respectively, are now in force in place of those provisions of the Parliament of Canada Act. At the risk of stating the obvious, I should add that the provisions repealing section 14 and 15 and 34 to 40 of the Parliament of Canada Act were based on the recommendations of the 1997 all-party Oliver-Milliken report.

Honourable senators, we should all offer our congratulations to our colleague Senator Oliver whose work has contributed so much to the changes that have now been made.

Hon. Senators: Here, here!

#### CANADA COUNCIL FOR THE ARTS

REPRESENTATION OF VISIBLE MINORITIES ON BOARD

Hon. Donald H. Oliver: Honourable senators, the Canada Council for the Arts is a national arm's-length agency created by an act of Parliament in 1957 to "foster and promote the study and enjoyment of, and the production of artistic work in Canada." It

also has a specific mandate to "encourage the engagement of visible minority, Aboriginal and immigrant Canadians in the arts labour force."

Honourable senators, as of February 18, 2005, no visible minority Canadians currently sit on the board of the Canada Council for the Arts. This is a shocking fact that was revealed to me when I received and read a copy of the letter that was sent to the Minister of Canadian Heritage, the Honourable Liza Frulla, from Dr. George Elliot Clarke, E.J. Pratt Professor of Canadian Literature and a former member of the board of the Canadian Council of the Arts from 2003. In his letter to Minister Frulla, dated May 25, Dr. Clarke said that the Canada Council for the Arts "must reflect the multiracial and multicultural nature of our country." He urged the minister to "correct this regrettable lack of representation at once."

Honourable senators, the fact that there are no visible minorities on the board of directors of an institution that is meant to encourage and engage Canadians of colour in the artistic process is not just "regrettable," it is shameful. How can anational agency with an explicit mandate to "sustain and promote arts organizations dedicated to cultural diversity" have no visible minorities on its board of directors?

Consider these facts. According to the Canada Council for the Arts' website, there are approximately "11,000 full-time visible minority artists in Canada who spend more time at their art than any other occupation." Just 8.9 per cent of those considered "artists" are visible minorities — and they earn 11 per cent less than their white peers. However, there "were 74 per cent more visible minority artists in 2001 than in 1991."

Honourable senators, let me conclude by quoting from a June 2004 report from the Canada Council's Advisory Committee for Racial Equality in the Arts, which said that "the promotion of policies on cultural diversity depends on a profound understanding of the value of equity and diversity to Canadian society as it is, and as it aspires to be."

Honourable senators, I could not agree more. Who better to understand the concerns of Canada's minority communities than visible minorities in actual positions of power who could sit on the board of directors of the Canada Council? The Canada Council for the Arts' lack of representation is an embarrassment. I strongly urge the Minister of Canadian Heritage to act now.

#### PARTNERS FOR A GREEN HILL

CONGRATULATIONS ON RECEIVING CANADIAN COUNCIL OF MINISTERS OF THE ENVIRONMENT POLLUTION PREVENTION AWARD

Hon. George J. Furey: Honourable senators, as you know, the Senate's environmental program has grown significantly since the Standing Committee on Internal Economy, Budgets and Administration adopted the environmental policy of the Senate in 1993.

In January 2004, the Clerk of the Senate took our program to another level when he signed a memorandum of understanding with the House of Commons, the Library of Parliament, and Public Works and Government Services Canada for the environmental management of Parliament Hill. The new environmental program was called "Partners for a Green Hill — Preserving our Past, Protecting our Future."

Since then, the Partners for a Green Hill have been cooperating on promoting the four Rs on the Hill and applying the sound environmental principles of Reducing, Reusing, Recycling, and Rethinking to programs in waste management, green procurement, building management, transportation, communications and a variety of environmental activities.

In recognition of our joint efforts, on June 1, 2005, the Partners for a Green Hill received a Pollution Prevention Award from the Canadian Council of Ministers of the Environment. The Senate and its partners were recognized as national leaders in the category of "Overall Prevention Efforts — Institution" for three projects: the Eco-Logo Certification of Printing Services; Green Procurement Policies; and the Paper Towel Composting Program.

As part of the award, the partners received a specially designed award and logo that we are entitled to use in our communications, signifying our prestigious status as a CCME Pollution Prevention Award winner.

• (1340)

A great deal of work and dedication was required of Senate and Hill employees at all levels to obtain the CCME award. Recognition from the Canadian Council of Ministers of the Environment for our efforts is a source of great pride to us all.

[Translation]

Congratulations to all those who were instrumental in our winning this award. Let us hope it encourages us to continue our efforts to make Parliament Hill and our entire country a healthier and cleaner place to be.

[English]

I would like to join other senators who have congratulated former Prime Minister Brian Mulroney for his environmental achievements while in office and for his recent recognition by Corporate Knights magazine.

#### **CHINA**

# SIXTEENTH ANNIVERSARY OF TIANANMEN SQUARE MASSACRE

Hon. Consiglio Di Nino: Honourable senators, Saturday is the solemn anniversary of the Tiananmen Square massacre where thousands of Chinese people, mainly students, were murdered for demonstrating for democratic and fundamental rights and freedoms — freedoms that Canadians take for granted. It has been 16 years since that dark day in history, but time has not

diminished the courage, passion and purpose of that uprising by thousands of courageous Chinese, mostly young men and women.

I stand here once again to tell Canadians that I believe the passion for fundamental freedoms and basic human rights in China is still very much alive. Unfortunately, the winds of change for rights and freedoms in China have been slow in coming. The Chinese government still bullies Taiwan, denies basic rights to Tibetans, supplies arms to rogue nations, and denies religious freedoms and fundamental rights to its citizens.

In memory of the men and women who on that fateful night paid the ultimate price, and for all those who continue to struggle against tyranny, we must shine a bright light on the injustices still occurring in China and, indeed, the world. It is in this spirit that I rise to draw your attention once again to those horrendous and reprehensible actions of the Chinese government on that fatal night of June 4, 1989. Honourable senators, we must not allow the sacrifices of so many brave people to be in vain.

#### **ROUTINE PROCEEDINGS**

#### **OUALITY END-OF-LIFE CARE**

PROGRESS REPORT TABLED

Hon. Sharon Carstairs: Honourable senators, with leave, I would like to table a report called *Still Not There. Quality End-of-Life Care: A Progress Report*, which will be the subject to my inquiry on that matter later today.

The Hon. the Speaker: Is leave granted, honourable senators?

Some Hon. Senators: Agreed.

#### PARLIAMENTARY DELEGATION TO MEXICO

APRIL 27-29, 2005—REPORT TABLED

Hon. Daniel Hays: Honourable senators, I request leave to table a report relating to a trip to Mexico City, from April 27 to 29, 2005, to represent the Government of Canada at the annual Canadian Chamber of Commerce in Mexico Day 2005 (Cancham Day).

Hon. Tommy Banks (The Hon. the Acting Speaker): Is leave granted, honourable senators?

Hon. Senators: Agreed.

[Translation]

# ECONOMIC DEVELOPMENT AGENCY OF CANADA FOR THE REGIONS OF QUEBEC BILL

#### FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-9, to establish the Economic Development Agency of Canada for the Regions of Quebec.

Bill read first time.

The Hon. the Speaker: Honourable senators, when shall this bill be read the second time?

On motion of Senator Rompkey, bill placed on the Orders of the Day for second reading two days hence.

[English]

#### DEPARTMENT OF HUMAN RESOURCES AND SKILLS DEVELOPMENT BILL

#### FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-23, to establish the Department of Human Resources and Skills Development and to amend and repeal certain related acts.

Bill read first time.

The Hon. the Speaker: Honourable senators, when shall this bill be read the second time?

On motion of Senator Carstairs, bill placed on the Orders of the Day for second reading two days hence.

#### **OUESTION PERIOD**

#### THE SENATE

LEADER OF THE GOVERNMENT— MEMBER FOR NEWTON—NORTH DELTA AS POSSIBLE SUCCESSOR

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, my question is directed to the Leader of the Government in the Senate. We have learned from the Grewal tapes that the Prime Minister's Office was lining up a replacement for the senatorial seat of the Leader of the Government in the Senate even before the seat was cold. As a matter of fact, the tape measures were out to measure for size.

As the political minister for British Columbia, can the leader tell the Senate whether he was consulted about the senatorial seat during the vote-buying consultations with the Prime Minister's chief of staff and the Minister of Health?

Hon. Jack Austin (Leader of the Government): Honourable senators, I did note in the media a reference of that kind to me, and I found it quite amusing.

#### FISHERIES AND OCEANS

# PLAN TO CUT FISHERIES OFFICER AND HABITAT MANAGEMENT POSITIONS

Hon. Gerald J. Comeau: Honourable senators, my question is also directed to the minister — the present minister. It has been reported that DFO, under the modernization compliance initiative, which is one of the programs under program

review, plans to cut 80 fisheries officer positions and 42 habitat management positions. Would the minister confirm whether this is in fact the government's plan and whether the government has assessed what impact this might have on the protection of fish habitat?

Hon. Jack Austin (Leader of the Government): Honourable senators, I am not in a position to give a specific response at this time, but I will certainly pursue the information that Senator Comeau has asked for.

#### HUMAN RESOURCES DEVELOPMENT

#### STOLEN COMPUTER INFORMATION— POSSIBILITY OF IDENTITY THEFT

Hon. Donald H. Oliver: Honourable senators, my question is for the Leader of the Government in the Senate and deals with the subject of identity theft. Last week, several thousand Canadians received letters advising them that a computer containing information including their names, social insurance numbers, dates of birth and rates of pay had been stolen. The equipment was taken on the night of May 2 from the PBAS Group of Companies in Winnipeg, a firm that administers benefit plans for organizations across this country. There is a very serious danger that the computer was stolen with a view to identity theft.

• (1350)

These employees were told in a letter to inform Human Resources Development Canada that their social insurance number may have been stolen and to contact two credit bureaus, Equifax and TransUnion, to place an alert notice on their credit files. PBAS itself could not alert either the credit bureaus or HRDC because of privacy laws.

Is the government concerned, first, that it took three weeks to notify those whose personal data may be at risk; second, that in the case of former employees whose future pensions are managed by the company, the address on file may not even be accurate; and, third, that there is no legislative requirement that these individuals even be notified?

Hon. Jack Austin (Leader of the Government): Honourable senators, with respect to the first part of the question, all of us will recall the interest that Senator Atkins took in a similar circumstance of identity theft based on a major program presentation by W5, a television news feature.

The issue is one of concern to the government. I cannot tell the honourable senator at this time whether the government has been asked by citizens to deal with a legislative program or even what desirable steps should be taken.

Identity theft is a tremendously serious problem for individuals, as they can lose their livelihood and assets. I would welcome a further inquiry in this chamber with respect to this issue. I am aware of at least one person who went through this torture and

found it completely upsetting to re-establish credit and to fend off demands of various kinds from people who thought they were dealing with this person.

I thank Senator Oliver for bringing this issue to us. I would welcome interest in the chamber to pursue the matter.

Senator Oliver: I thank the honourable leader for his encouraging response.

Another public policy issue arises from this type of problem. How is someone notified that their social insurance number may have been stolen? We are told that when people tried the 1-800 number for HRDC, they received a maze of messages, such as "try the next number" or "wait for somebody else." They could not get through to notify someone that their social insurance number may have been stolen.

As a matter of public policy, before the identity theft can really cause serious financial or other harm there must be a better way than a 1-800 number. People need to be notified in an immediate way that this problem has occurred.

Senator Austin: As an opinion, which is probably not well informed, I would think that in a circumstance such as this a department would have notice from the media of what had taken place and could set up a critical call centre. Those people affected by the theft would be given a number to call if they were concerned by these events. In that way these calls would not stream into the general inquiry number of the department. I will certainly make available to the Minister of Human Resources both the question of Senator Oliver and my speculative answer.

#### HEALTH

PHARMACEUTICAL INDUSTRY—CROSS-BORDER SALES—GOVERNMENT POLICY ON FOREIGN PURCHASE OF PRESCRIPTION DRUGS

Hon. Marjory LeBreton: Honourable senators, my question is for the Leader of the Government in the Senate. The United States House of Representatives is expected to soon pass a bill that will legalize the re-importation of prescription medications into their country. As we well know, this has been an issue of some contention on both sides of the border for some time.

The legislation currently being debated will allow American pharmacists and wholesalers to import pharmaceuticals from Canada and other countries under certain circumstances. Although it is impossible to know what will happen in the future, this legislation could dramatically increase bulk export of drugs from Canada to the United States.

Could the Leader of the Government in the Senate tell us whether the federal government has adopted a policy on this matter and, more specifically, what will it do to ensure that our drug supply will not incur shortages if this legislation is approved by the United States Congress?

Hon. Jack Austin (Leader of the Government): The Minister of Health, the Honourable Ujjal Dosanjh, has made it clear in public statements that his first priority is to defend the availability of prescription medicine to Canadians and that all steps will be taken to ensure that the supply is adequate for Canadian requirements.

Minister Dosanjh has expressed a good deal of concern about the Internet pharmacy business in terms of the security of the supply of drugs to Canadians, and there is an ongoing study with respect to this impact. I am sure Senator LeBreton is also aware that the Internet pharmacy business is making strenuous representations. Thousands are now employed by that business, many of them in Manitoba and British Columbia.

The issue is being carefully watched, but the prime public policy is to ensure that Canadians have the normal and adequate supply of these drugs to which they are accustomed.

Senator LeBreton: The Minister of Health said recently that the federal government had not yet articulated its position and that the Department of Health was still in the process of developing and analyzing its options.

In view of recent events in the United States, when can we expect the Department of Health to come forward with a definitive policy in anticipation of this legislation being passed?

Senator Austin: Honourable senators, in response to the question, I will say that I am not entirely sure. However, I do know there is current policy work ongoing in the Department of Health. There is no question in my mind that we would have a response were the facts to indicate that there had been an immediate drawdown of Canadian drugs to the jeopardy of the public community.

Hon. David Tkachuk: Honourable senators, right now we have separate Canadian and American markets. Will this mean a North American market for drugs?

Senator Austin: Honourable senators, there is no intention whatsoever of changing the current drug price management regime, which was developed by the Mulroney government and which has served us extremely well, in my view.

Senator Tkachuk: If Americans can purchase Canadian product at a lower price, there will be an increased demand. How do we propose to increase the quantity of drugs? Will there be price restrictions? If the market is good enough, it will drive up the price. I do not think the government can do anything to stop it, unless a price control body is holding down prices.

Senator Austin: As Senator Tkachuk knows, there is such a body. The price of drugs in Canada will not be affected by demand external to Canada. We simply may not have the drugs to supply that external demand. Our priority is not the external demand; our priority is the requirements of Canadians.

## DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour of presenting two delayed answers to oral questions raised in the Senate.

[Translation]

The first is in response to an oral question raised in the Senate on May 16, 2005, by Senator Oliver concerning Budget 2005 — Funds for Infrastructure Program.

• (1400)

[English]

The second delayed answer is in response to oral questions raised in the Senate on April 14 by Senator Gustafson concerning Bovine Spongiform Encephalopathy, BSE, and discussions with the United States Cattle Industry Association and class-action suit by Coalition of Canadian Farmers.

#### **FINANCE**

BUDGET 2005— FUNDS FOR INFRASTRUCTURE PROGRAM

(Response to question raised by Hon. Donald H. Oliver on May 16, 2005)

In order to provide municipalities, both large and small, with a long-term, reliable and predictable source of funding, Budget 2005 provides \$5 billion over five years to support environmentally sustainable infrastructure. Eligible investment categories may include municipal infrastructure needs such as public transit, water and wastewater infrastructure, and community energy systems.

Beginning in fiscal year 2005/06, the funding will be \$600 million and will ramp-up over the course of five years to reach \$2 billion annually by 2009/10. This funding represents a significant and growing federal investment in municipalities, together with the GST rebate that was announced in Budget 2004, and the intent announced in Budget 2005 to renew and extend into the future the Canada Strategic Infrastructure Fund, Municipal Rural Infrastructure Fund and the Border Infrastructure Fund as they expire.

Gas tax funds will flow to the provinces and territories once funding agreements are signed. These agreements will outline how the federal gas tax funding will be allocated amongst the municipalities and will ensure that the funding is targeted to environmentally sustainable infrastructure. The Minister of State (Infrastructure and Communities) is responsible for negotiating the funding agreements with the provinces and territories. At present, two funding agreements have been signed, with the Yukon and Alberta; however, others will be signed shortly.

To ensure that municipalities receive the gas tax funds early in the first year, the government has included the value of the first year gas tax allocation, which is \$600 million, in the budget implementation bill, An Act to Implement Certain Provisions of the Budget, tabled in Parliament on February 23, 2005 (Bill C-43). The Act authorizes the

Minister of State (Infrastructure and Communities) to make payments in the current fiscal year to the provinces and territories. In subsequent years, the normal course for Departmental appropriations via the estimates process, will be sufficient to ensure timely payments, similar to the practice for other government programs.

#### AGRICULTURE AND AGRI-FOOD

BOVINE SPONGIFORM ENCEPHALOPATHY— CLASS-ACTION SUIT BY COALITION OF CANADIAN FARMERS

(Response to question raised by Hon. Leonard J. Gustafson on April 14, 2005)

Since BSE was detected in North America, the collaborative efforts of this government, industry on both sides of the border, the Provinces and the U.S. Administration have focused on ensuring that decisions on human health, food safety and animal health be based on sound science and internationally-accepted standards. The Government of Canada is actively engaged in dialogue at all levels as work continues to normalize trade.

On March 9, 2005, the National Meat Association (NMA) filed an emergency motion asking the U.S. Ninth Circuit Court of Appeals to order that the NMA be named as an intervener in the litigation that resulted in the granting of a preliminary injunction against the U.S. Department of Agriculture's minimal BSE risk rule. The rule would have expanded access to the U.S. market for certain classes of live Canadian cattle. If the Court of Appeals grants the NMA that status, it is also asking the Court to overturn the preliminary injunction issued by the U.S. District Court (Montana). The NMA is arguing that continued closure of the border risks plant closures, job losses and irreparable damage to its members. On March 11, the Court of Appeals agreed to hear NMA's arguments on both issues.

On March 17, 2005, the U.S. Department of Justice, on behalf of USDA, filed a request in this same Court, also asking it to overturn the preliminary injunction. Time lines for both the NMA and USDA hearings have not been determined yet.

It is important to note that under U.S. law, Canada is not a party to either of these lawsuits. However, on April 14, 2005, the Government of Canada sought permission from the U.S. Ninth Circuit Court of Appeals to file an *amicus curiae* brief ("friend of the Court" — not a party to the case). If accepted, it would allow us to set out the facts about Canada's system for protecting human health, food safety and animal health from the minimal risks posed by BSE. We are currently awaiting the Court's decision as to whether it will accept our brief for consideration in its deliberations.

Canada and the United States have the same BSE risk status, and have similar appropriate measures in place to protect human and animal health. The interests of producers on both sides of the border are served by reintegrating our cattle and beef markets to the fullest extent possible based on science — and the science indicates that the border should reopen.

We fully understand and share the industry's frustration with the delay in opening the U.S. border, which has resulted in significant losses to the industry. This is particularly frustrating for live cattle producers since the scientific evidence suggests that the border should have been opened already. Although we cannot comment on the class action lawsuits filed against the Government of Canada, we can clarify that none of them have been initiated by the Canadian Cattlemen's Association or other national industry groups with whom we have been closely working to normalize trade with the U.S. or other markets.

# PAGES EXCHANGE PROGRAM WITH HOUSE OF COMMONS

The Hon. the Speaker: Honourable senators, before going to Orders of the Day, I would like to introduce two guest pages from the House of Commons: Nigel Molaro, of Saskatoon, Saskatchewan, is pursuing his studies at the Faculty of Social Sciences of the University of Ottawa. His major is political science. Mallory Mroz, of London, Ontario, is pursuing her studies at the Faculty of Social Sciences of the University of Ottawa. Her majors are international studies and modern languages. Welcome.

#### ORDERS OF THE DAY

#### **AERONAUTICS ACT**

BILL TO AMEND—SECOND READING—POINT OF ORDER—SPEAKER'S RULING RESERVED

On the Order:

Resuming debate on the motion of the Honourable Senator Munson, seconded by the Honourable Senator Mercer, for the second reading of Bill S-33, to amend the Aeronautics Act and to make consequential amendments to other Acts.—(Speaker's Ruling)

The Hon. the Speaker: Honourable senators, Order No. 2 awaits the Speaker's Ruling. I had hoped to do that today but I am not prepared on this question of whether Bill S-33 appropriates public money. Unfortunately, I am away from the Senate next week and so I will rule forthwith upon my return.

#### EXPORT AND IMPORT OF ROUGH DIAMONDS ACT

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. Robert W. Peterson moved second reading of Bill S-36, to amend the Export and Import of Rough Diamonds Act.

He said: Honourable senators, it is my pleasure to speak at second reading to Bill S-36, to amend the Export and Import of Rough Diamonds Act. The act provides controls for the export, import or transit across Canada of rough diamonds and enables the implementation in Canada of the international Kimberley Process Certification Scheme for trade in rough diamonds. For clarification, "rough diamond" means a diamond that is unsorted, unworked or simply sawn, cleaved or bruted. Such a diamond has not been cut or polished.

By way of background to the bill, honourable senators, it is important to understand the international concern that persists about the link between the illicit international trade in rough diamonds and armed conflict, particularly in Angola, Sierra Leone and the Democratic Republic of Congo. While conflict diamonds constitute a very small percentage of international diamond trade, they have had a devastating impact on peace, security and sustainable development in affected countries. For clarification, "conflict diamonds" can be described as diamonds coming from areas controlled by rebels with the resulting benefits of sales going to the rebels rather than to the people of the countries involved.

The Kimberley Process is the principal international initiative established to develop practical approaches to the conflict diamond challenge. The process was initiated in May 2000 by several southern African countries in response to growing international pressure to address peace and security concerns and to protect the national economies of several southern African countries that depend on the diamond industry. It was simultaneously implemented at national levels by participating countries on January 1, 2003.

The process now includes 43 countries involved in producing, processing, importing and exporting rough diamonds. These countries account for 99.8 per cent of the global trade in, and production of, rough diamonds. They include all of Canada's major diamond trading partners.

The implementation of the Kimberley Process has already demonstrated significant benefits in curbing illicit trade in rough diamonds. For example, Sierra Leone's certified exports in 2003 were valued at \$130 million versus \$10 million in 2000.

Although Canada's status as an important diamond producing country is recent, the industry is currently estimated to provide some 4,000 direct and indirect Canadian jobs. The value of mine production in 2004 is estimated to be \$2.1 billion, ranking Canada as the world's third most important diamond producer by value.

This status marks only the start of Canada's diamond history because more mines are scheduled to come into production in the coming years, such as the Jericho mine in Nunavut Territory in 2006, the Snap Lake mine in the Northwest Territories in 2007 and the Victor mine in Ontario in 2008.

These and other advanced exploration projects located in the same areas, as well as in Quebec and Saskatchewan, ensure prosperous times to come for the economies of many regions. They include Aboriginal communities and major Canadian cities

as hubs for the financial markets, equipment manufacturing companies and allied industries. In addition to diamond mining, a small diamond cutting and polishing industry has grown in Yellowknife, Vancouver, Toronto, Montreal and Matane, Quebec. Such operations have an important training component, which includes a number of Aboriginal apprentices. Both the mining industry and the diamond cutting and polishing industry are dependent on access to export markets, which depends on Canada's participation in the Kimberley Process.

The development and passage of Bill S-36 was accomplished at an accelerated pace to permit Canada's diamond mining and manufacturing industry to operate unhindered by the coming into force of the Kimberley Process. On this account and because the process is in its early phase of operation, shortcomings that impede its effectiveness were noted and addressed at the Kimberley Process Plenary Meeting held in Gatineau, Quebec, from October 27 to 29, 2004.

For Canada to be compliant with the Kimberley Process as per the modifications brought forward at the Kimberley Process Plenary Meeting, the following amendments to the Export and Import of Rough Diamonds Act are required: First, introduce a provision to enable the publication of the Kimberley Process Certificate, based on import and export statistics collected through the Kimberley Process Certification Scheme; and second, change the definition of the term "rough diamond" as defined in the act and provide ministerial powers to facilitate future changes to the term as required by the Kimberley Process Certification Scheme.

Bill S-36 provides the required changes to the act for Canada to comply with the Kimberley Process requirements.

Honourable senators, regarding the first amendment, under the Kimberley Process Certification Scheme, participants are required to submit trade data to facilitate the identification of irregular trade activity, which is one of the foundations of the scheme. Most participants submit trade data based on Kimberley Process Certificates.

The second amendment, to change the definition of "rough diamond," as defined in the act, and to provide ministerial powers to facilitate future changes of a similar nature, is required to comply with changes adopted by the Kimberley Process Plenary Meeting. This limits the applicability of the Kimberley Process Certification Scheme to diamonds equal to or larger than 1.0 millimeter in diameter. This decision was made to remove unnecessary administrative burden on the Kimberley Process Certification Scheme because the smaller diamonds are of too little value for illicit trade.

Although these changes could be made after the scheduled review of the act in 2006 and the Kimberley Process Certification Scheme review of 2006-07, that would delay amendments until 2008 and, therefore, jeopardize Canada's compliance and trade in diamonds. These amendments are technical in nature and do not require any policy changes.

In conclusion, I ask for the support of all honourable senators to pass this important bill and send a signal to Canadian stakeholders and to the international community that Canada is moving ahead to comply with the evolving requirements of the Kimberley Process Certification Scheme.

On motion of Senator Stratton, for Senator Di Nino, debate adjourned.

• (1410)

# CRIMINAL CODE CULTURAL PROPERTY EXPORT AND IMPORT ACT

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. George Baker moved second reading of Bill S-37, to amend the Criminal Code and the Cultural Property Export and Import Act.

He said: Honourable senators, the principle of this bill was announced on May 18, during International Museum Day by the Minister of Foreign Affairs, the Minister of National Defence, the Minister of Justice and the Minister of Heritage.

This bill, honourable senators, lays the groundwork to enable Canada to accede to the two protocols of the UNESCO convention for the Protection of Cultural Property in the Event of Armed Conflict, commonly referred to as the Hague Convention. As honourable senators know, Canada does not belong to either of these protocols as yet but, with the passage of this bill, Canada could become the first nation in the G8 to accede to the second protocol, so it is a significant bill.

Honourable senators, I must congratulate the Leader of the Government in the Senate on his magnificent staff. They briefed me in such a thorough manner on the intricacies of the Criminal Code and another piece of legislation that we are amending in this bill. The amendments, honourable senators, are to the Criminal Code and to the Cultural Property Export and Import Act. These amendments to fulfill the principle of the bill are to enable the government, the Attorney General of Canada or the Attorney General of a province, to prosecute a Canadian, whether in Canada or abroad, regarding a violation of the provisions of the Hague Convention within the meaning of the Hague Convention as contained in this bill.

This bill also amends the Cultural Property Import and Export Act. I recall debating this matter in 1974 in the House of Commons and being impressed with the provisions of that act because it allowed someone who was in the course of being prosecuted for a strict liability offence under the act to have the defence of the full *mens rea*, or knowingly. In other words, if someone had cultural property that was identified and registered within the nation that claimed it to be cultural property within the provisions of the act, one would have to prove that the person, the possessor, had done something intentionally, or that they did not have bona fide ownership or title to the property.

The bill amends three sections of the Criminal Code. One of those sections covers aircraft over international waters and another one covers outside Canada's exclusive economic zone that Senator Comeau is examining in his Fisheries Committee. Cultural property which is outside of Canadian jurisdiction, either in a vessel or something affixed to the continental shelf, would come under the provisions of this act. I can see Senator Comeau now trying to figure out how to classify fish as "cultural property."

Another interesting aspect to the bill is that the Hague Convention will become a part of our domestic law within the Criminal Code. That is the Hague Convention of 1954 for cultural property in a member state that was affected by armed conflict. Of course, you have to be a member state for this convention to apply.

Another section of the Criminal Code that is being amended is that section which would apply if you wilfully damaged property, or what is commonly referred to as the mischief section. When you commit mischief, you are prosecuted under that section. A minor change is being made here in that the penalty is being increased from two years for an indictable offence to ten years. I am told that the reason for that increase is to meet the expectations of the protocol that Canada will accede to after the approval of this legislation by the Senate and then by the House of Commons. It does not change the provisions regarding summary conviction under the Criminal Code. Again, honourable senators, although it is a strict liability offence, the word "wilfully" is contained in that section of the Criminal Code, which offers the full protections of the Charter.

The second act that this bill modifies is the Cultural Property Import and Export Act, which, as I mentioned, was passed way back in 1974. You will notice, honourable senators, that within the six pages of the bill, three of them contain the new provisions of the Cultural Property Import and Export Act. I noticed that it contained the same wording, repeating again what is already in the legislation. It clearly outlines the procedure. When a member state complains that a piece of cultural property is being held by somebody in Canada, or by a Canadian citizen, or by somebody defined as a Canadian under any act of Parliament, a prosecution is started. If the person in possession has a bona fide interest in that property, if they thought that they had legitimately purchased the property must compensate them in full, and that compensation is to be determined by the trial judge. It contains exactly the same wording.

I asked, Why the repetition of exactly the same wording? In other words, you have one bill, and you get to page 4 and there are three pages on the topic. Then you get to page 7 and there are three more pages saying exactly the same thing, but within the meaning of the Hague Convention. I was told that this is repeated word for word, just to be sure of its implementation.

Honourable senators, that is what is contained in this bill. It does say, at the conclusion, that section 39 of the Federal Courts Act does not apply. That is the limitation section. In other words, a prosecution can be brought either in a superior court of a province — that is, the Supreme Court of a province — or in the Federal Court. This bill is saying that the Federal Court provisions relating to limitations do not apply because there is already a limitations provision contained in the bill. I might say, looking at the limitations provision under this bill, that it has an interesting wording. It says that you can proceed summarily any

time within three years after the time that the subject matter of the complaint arose. Beyond that, you cannot proceed. You would then have to proceed by way of indictment, which it is open to a prosecutor to do.

• (1420)

However, it is for a three-year term. I see nothing unusual about that provision, as the Fisheries Act and the Environmental Protection Act have provisions allowing for "within two years of the subject matter of the offence coming to the attention of the minister," meaning the department. There is nothing unusual about the three-year provision.

All of that, honourable senators, is to say that this is a good bill that should receive the support of all parties here in the Senate. I hope that the House of Commons will also pass it forthwith, following its approval here.

Hon. Senators: Hear, hear!

On motion of Senator LeBreton, debate adjourned.

#### FEDERAL NOMINATIONS BILL

SECOND READING—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Stratton, seconded by the Honourable Senator LeBreton, for the second reading of Bill S-20, to provide for increased transparency and objectivity in the selection of suitable individuals to be named to certain high public positions.—(Subject-matter referred to the Standing Senate Committee on Legal and Constitutional Affairs on February 2, 2005)

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I rise to speak to this matter because the content of this bill has been referred to committee without second reading.

This is now the second time that we have rewound the clock with respect to this bill. There is a problem in the Senate. I would bring to the attention of the chair of the Rules Committee that this practice should not continue. Either we do not allow bills to go to committee unless they have had second reading, or we move them along in committee once they are approved and sent there.

I would very much like the Rules Committee to take a look at this situation. It is not a satisfactory one, and we are constantly playing games with it.

The Hon. the Speaker: Is it agreed, honourable senators, that we go back to day one on item No. 10?

Hon. Senators: Agreed.

The Hon. the Speaker: That order now stands at day zero.

Order stands.

[Translation]

# ASSASSINATION OF LORD MOYNE AND HIS CONTRIBUTION TO BRITISH WEST INDIES

INOUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Cools, calling the attention of the Senate to:

- (a) November 6, 2004, the sixtieth anniversary of the assassination of Walter Edward Guinness, Lord Moyne, British Minister Resident in the Middle East, whose responsibilities included Palestine, and to his accomplished and outstanding life, ended at age 64 by Jewish terrorist action in Cairo, Egypt; and
- (b) to Lord Moyne's assassins Eliahu Bet-Tsouri, age 22, and Eliahu Hakim, age 17, of the Jewish extremist Stern Gang LEHI, the Lohamei Herut Israel, translated, the Fighters for the Freedom of Israel, who on November 6, 1944 shot him point blank, inflicting mortal wounds which caused his death hours later as King Farouk's personal physicians tried to save his life; and
- (c) to the 1945 trial, conviction and death sentences of Eliahu Bet-Tsouri and Eliahu Hakim, and their execution by hanging at Cairo's Bab-al-Khalk prison on March 23, 1945; and
- (d) to the 1975 exchange of prisoners between Israel and Egypt, being the exchange of 20 Egyptians for the remains of the young assassins Bet-Tsouri and Hakim, and to their state funeral with full military honours and their reburial on Jerusalem's Mount Herzl, the Israeli cemetery reserved for heroes and eminent persons, which state funeral featured Israel's Prime Minister Rabin and Knesset Member Yitzhak Shamir, who gave the eulogy; and
- (e) to Yitzhak Shamir, born Yitzhak Yezernitsky in Russian Poland in 1915, and in 1935 emigrated to Palestine, later becoming Israel's Foreign Minister, 1980-1986, and Prime Minister 1983-1984 and 1986-1992, who as the operations chief for the Stern Gang LEHI, had ordered and planned Lord Moyne's assassination; and
- (f) to Britain's diplomatic objections to the high recognition accorded by Israel to Lord Moyne's assassins, which objection, conveyed by British Ambassador to Israel, Sir Bernard Ledwidge, stated that Britain "very much regretted that an act of terrorism should be honoured in this way," and Israel's rejection of Britain's representations, and Israel's characterization of the terrorist assassins as "heroic freedom fighters"; and
- (g) to my recollections, as a child in Barbados, of Lord Moyne's great contribution to the British West Indies, particularly as Chair of the West India Royal

Commission, 1938-39, known as the Moyne Commission and its celebrated 1945 Moyne Report, which pointed the way towards universal suffrage, representative and responsible government in the British West Indies, and also to the deep esteem accorded to Lord Moyne in the British Caribbean.—(Honourable Senator Comeau)

Hon. Madeleine Plamondon: Honourable senators, I would like to speak briefly to this inquiry. The question is of some concern, and so I will participate in this debate at the appropriate time.

I therefore move the adjournment of the debate in the name of Senator Comeau.

On motion of Senator Plamondon, for Senator Comeau, debate adjourned.

[English]

#### PROGRESS REPORT ON QUALITY END-OF-LIFE CARE

INQUIRY—DEBATE ADJOURNED

Hon. Sharon Carstairs rose, pursuant to notice of May 31, 2005:

That she will call the attention of the Senate to Still Not There. Quality End-of-Life Care: A Progress Report.

She said: Honourable senators, I rise today to speak to a report that I had placed on your desks earlier today called "Still Not There. Quality End-of-Life Care: A Progress Report."

As honourable senators know, the 1995 report of the Special Senate Committee on Euthanasia and Assisted Suicide, entitled "Of Life and Death," and the 2000 report of the Senate Subcommittee to Update "Of Life and Death," entitled "Quality End-of-Life Care: The Right of Every Canadian," were important in focusing national attention on the need for palliative and end-of-life care and in raising public awareness of the issue.

Each of these reports had the effect of giving voice to those concerned with end-of-life care and strengthened the sense of identity of the discipline. These reports were both excellent examples of the impact that a Senate committee report can have on public policy.

As honourable senators are aware, the aim of care focused on dying individuals is to achieve the best possible quality of life for both the person who is dying and for their family by addressing their physical, psychological, social, spiritual and practical expectations and needs. Patients of all ages suffering from all life-threatening illnesses can benefit from access to palliative and end-of-life care.

As of June 2005, we are celebrating the tenth anniversary of the tabling of the first report, and the fifth anniversary of the tabling of the second report. I believe it is time to reflect on what progress has been made in implementing the recommendations of the 1995 and 2000 reports.

"Still Not There. Quality End-of-Life Care: A Progress Report" is my personal reflection on what has happened in palliative and end-of-life care since the 2000 Senate committee report, and on what actions still need to be taken to provide quality end-of-life care to Canadians.

In the fall of 2004, I sent out over 100 letters to federal, provincial and territorial associations, non-governmental organizations and professional associations with an interest in palliative and end-of-life care. Witnesses who had appeared before the Senate subcommittee in 2000 were asked to review their testimony and to make any necessary changes. The letters posed these questions.

One: What progress has been made in implementing the 14 recommendations from the 2000 report?

Two: What progress has been made in implementing the unanimous recommendations in the 1995 report? Three: Are the recommendations still valid? Four: Are the appendices from the 2000 report up to date? Five: Where is palliative care headed in Canada and internationally?

#### • (1430)

The responses received from these letters formed the basis of the information included in the status section of this report. Information was also collected from one-on-one conversations with those working and acting in the field, research, conferences and reviewed materials.

On the fifth anniversary of the tabling of the 2000 report, I am pleased to say that there has been some very positive progress in providing quality end-of-life care to Canadians. The 2000 Senate report recommended the implementation of income and job protection for family members who care for the dying. This feature was implemented through an amendment to the Employment Insurance Act as a Compassionate Family Care Leave Benefit that came into effect in January 2004. Most provinces have moved to amend their labour codes to provide job protection as well.

Industry Canada was among those who funded the development of a virtual hospice on the World Wide Web. The Canadian Institutes of Health Research have announced \$16.5 million to fund palliative and end-of-life care research funding over the next five years. Health Canada has announced funding for an education program for physicians in end-of-life care. Health Canada is also developing the implementation of a Canadian strategy on palliative and end-of-life care.

However, despite these accomplishments, we are still not there. There is still much to be done. The combination of the relative newness of end-of-life care with a variety of health care jurisdictions and a strong, locally based volunteer movement has resulted in significant disparities across Canada with respect to access to end-of-life care, the quality of care, and out-of-pocket costs to the patient.

Although there are in excess of 430 programs and services listed by the Canadian Hospice Palliative Care Association, most of those working in the field still estimate that no more than 15 per cent of Canadians have access to hospice palliative care. For children, that figure falls to 3.3 per cent, according to a recent Canadian Institutes of Health Research project. Hospice palliative care programs and services need to be integrated into the health care system and not be an additional program that may or may not be available in your community.

There is a need to standardize greater access to quality end-of-life care across the country. There is a need for ongoing education and training of health care professionals. There is a need for continued research and its dissemination, including socioeconomic research and the development and dissemination of best practices. There is a need to support family caregivers who are assuming a greater portion of the responsibility for health care as more health care is delivered into the home and community. There is a need to inform patients and caregivers of supports and services available to them. There is a need for coordination and support across care settings as patients move from home to hospital, to long-term care facilities, and to hospices.

You might ask, Why is this need so great? Honourable senators, the Canadian population is aging. By the year 2026, 8 million Canadians will be over the age of 65. This is approximately 20 per cent of the Canadian population. Seniors account for 75 per cent of the deaths each year in this country. It is estimated that there will be a 40 per cent increase in those deaths by the year 2020. This will amplify the demand for increased capacity and improved access to quality end-of-life care in every province and territory.

In my report, "Still Not There," I make ten new recommendations to the federal government in five areas: National strategy, patient and caregiver support, training and education for formal and informal health care providers, government and citizens working together, and planning for the future.

For national strategy, honourable senators, I have to say that the current Canadian strategy on palliative and end-of-life care, while essential to ensuring quality end-of-life care for all Canadians, is not at the present time sustainable. The Canadian strategy has been incompletely implemented and has not met its original objectives. Without federal leadership, there will continue to be a patchwork of services available to Canadians, as no single province is equipped to provide the necessary leadership.

To that end, I recommend that Health Canada provide long-term, sustainable funding for the further development of a Canadian strategy on palliative and end-of-life care that is cross-departmental and cross-jurisdictional and meets the needs of Canadians.

I recommend that federal, provincial and territorial governments make palliative and end-of-life care programs a top priority in the restructuring of the health care system through implementing consistent norms of practice to eliminate disparities between different jurisdictions; integrating services to make the transitions between all health care settings, including hospital, long-term care, home and hospice seamless; and enhancing home care and pharmacare, including the provision of respite care.

For patient and caregiver support, we know that the compassionate care leave program was a huge step forward, but there have been problems with its uptake by the public. This is because it is too narrow in its application, and changes are needed to ensure that those who can most benefit from this program can access it.

1394

I recommend that the federal government amend the Compassionate Family Care Leave Benefit under the Employment Insurance program to improve Canadian access and eligibility under the benefit by extending the leave from eight weeks to 16 weeks, including a two-week waiting period, by allowing the patient to determine the best person to be their caregiver, be it a family member or a friend; by not limiting the benefit to the last six months of life, especially for children; and by mounting a public education program designed to inform Canadians about the benefit. Furthermore, the federal government and the provinces and territories must amend their respective labour codes to reflect these changes to the Compassionate Family Care Leave Benefit.

Health Canada is funding a program to educate physicians. I am very pleased that by 2008 no physician in Canada will graduate without some training in palliative medicine, and that has been a long time coming as the average training right now is one hour for a physician graduating from undergraduate medicine. That will be achieved by 2008, and that is very positive.

However, we have many other health care providers who need the same kind of training in order to offer a truly integrated approach to quality end-of-life care. Therefore, I recommend that the federal government support the development of multi-disciplinary education and training with respect to palliative and end-of-life care, and support an integrated and coordinated approach to it across care settings.

Honourable senators, just as a note of interest, in order to help the family physicians of Canada and the College of Physicians and Surgeons in Canada to develop a curriculum that will now become standard across the country, it required a donation of \$1.25 million. That is all it required to ensure that all undergraduate physicians in this country get this kind of education. If we can do it for physicians then let us do it for nurses, pharmacists, social workers and occupational therapists in order to ensure they all are there when needed.

The 1995 Senate report focused a good deal of attention on the need for clarification regarding the legal status of the holding and withdrawal of life-sustaining treatments and the administration of pain control drugs, which may unintentionally shorten life. That clarity has never materialized. Therefore, I recommend that health care providers be educated on the practice of providing treatment for the purpose of alleviating suffering that may have the unintended effect of shortening life and the circumstances in which the withholding and withdrawal of life-sustaining treatment is legally acceptable.

The most important thing that the 2000 Senate committee found about advance directives was how important the conversations with family were surrounding their development. The 2000 report recommended that all provinces and territories

adopt such legislation. I am pleased to say that all provinces have now done so. Unfortunately, there are still two territories that have not done so, and I would urge them to pass that legislation.

• (1440)

However, we have discovered a problem, honourable senators, and that is that some provinces do not respect the advance directive signed by someone from another province. Although I may have an advance directive, as I do, which is duly signed in the province of Ontario, if I have an accident in Nova Scotia and my advance directive may need to be considered, it cannot be considered because it was not signed in Nova Scotia. Surely we can develop legislation within the provinces that would recognize the protocols of other provinces with respect to advance directives.

Public information, however, is also essential to ensure access to services by those who need it. I recommend that Health Canada, in cooperation with the provinces, territories and the hospice palliative care community, sponsor a national campaign designed to inform the public about end of life, including information on palliative and end-of-life care services available in their region, advance directives and end-of-life care planning, the Compassionate Care Leave Benefit and how to apply for it, their legal rights with respect to withholding and withdrawal of life-sustaining treatment, and caring for the dying as an informal caregiver.

Despite the progress that has been made in research, as we plan for the future and an aging population it is essential that we continue to do research and data surveillance to ensure that we are offering quality palliative and end-of-life care which is sustainable. I recommend that the Canadian Institute for Health Information be encouraged to develop indicators for quality end-of-life care. Furthermore, I recommend that the Canadian Institutes of Health Research undertake research into the socioeconomic issues of palliative and end-of-life care, including the physical, mental and economic impact on informal caregivers.

Honourable senators, dying is a fact of life, one we will all have to face eventually. As we face it, and as we watch our loved ones face it, we want to make sure that we live well until the very end; that our physical, psychological, social, spiritual and practical expectations and needs are met. Quality end-of-life care is not just an ideal; it is a necessity if we are to ensure that we meet the needs of all Canadians.

Hon. Leonard J. Gustafson: Would the honourable senator entertain a question?

Senator Carstairs: Absolutely.

The Hon. the Speaker: Before we are able to do that, I should advise Senator Carstairs that her time has expired.

Senator Carstairs: May I have leave for my time to be extended to deal with Senator Gustafson's question?

Hon. Senators: Agreed.

**Senator Gustafson:** This is an excellent report, and of course it reminds us of the importance of dealing with a situation we all come to sooner or later in life.

I was reading the other day that Alberta, in an article that was written in Alberta, probably has the most advanced medical system in Canada. From the area where we live, many people have moved to Medicine Hat, and they have moved there because, being senior in years, they feel that they are getting better service than they would in Saskatchewan.

In your study, did you make comparisons between the provinces as to how that relates to all of Canada? I believe we are all aware of the importance of having a system that works for everyone. The honourable senator had mentioned the northern parts of the country. I would like her comment.

Senator Carstairs: The reality is that Alberta spends more per capita on medical care than any other province in this country. That is because their treasury is just that much larger per capita than that of any other province in the country. There is no doubt that they have some of the best palliative care in the country, and the most widely dispersed, so that while, for example, in my own province there is excellent palliative care in Winnipeg, it is not as easily accessible in other parts of the province of Manitoba. In Alberta, they have been able to spread the program much more widely.

That is all the more reason, in my view, for the federal government to target its resources and its dollars to reach everyone across this country because it should be quality end-of-life care for everyone. To that end, the new health accord, which has been signed as of last year in 2004, goes a long way because this is the first time that they have actually put 50-cent dollars into the home care budgets. By putting money into home care budgets, the federal government is recognizing the evolution of what is happening and the changing way in which health care is delivered and the changing way in which end-of-life care is delivered, and this will make it possible for a province, for example, such as Nova Scotia, that has not been able to fully fund home care, to be able to get into the game and therefore be able to provide better quality end-of-life care.

Hon. Serge Joyal: I have a question for the Honourable Senator Carstairs, but first I would commend our colleague for her lasting work and commitment.

My question relates to the last point raised by the honourable senator about the health care accord. Senator Carstairs will remember that in the health care accord there is a reporting obligation that some provinces — most of the provinces — have subscribed to so that we could, on a regular basis, measure the progress that is made from one year to the next; in other words, how the quality of services that have been outlined are met by the participating provinces. Can the honourable senator inform us as to whether or not the issue of providing improvement of services will be part of that reporting mechanism?

My second question is in relation to her second point, which is how do we make sure that the professional people involved in providing the services are well trained? The senator listed a group of people. Did she ever consider that the Council of Ministers of Education would probably be the interprovincial body by whom the federal government is invited, on occasion, to discuss issues of national importance and through which there could be some

commitment made by the participating provinces to improve the curricula in the way that Senator Carstairs has suggested in her presentation?

Senator Carstairs: There are two serious questions here. The first one is on the reporting obligation laid out in the health care accord. As my honourable colleague will remember, the reporting is actually to the people of the province that has received the money, which in fact is all of the provinces. There will have to be an acceptance by the Canadian public that they themselves will need to be more vigilant. If this report is made to the citizens of the province, then it must be the citizens of the province who will need to stand up and say that there has not been a good enough job done with the moneys that they have been afforded. That will take some skill and some training to create the citizen awareness that will accomplish the best results from this accord.

With respect to the Council of Education Ministers, interestingly enough, in my previous role I found that the way to change medical school curricula was not through the Council of Education Ministers. It was, in fact, through the professional associations and through their governing bodies. Therefore we went to the College of Physicians and Surgeons, we went to the College of Family Physicians, and that is how we were able to affect the curriculum. The Canadian Nurses Association is working on curricula at the present time.

That is certainly something I will pursue because I believe it is worth further acknowledgement. However, to date we have discovered that it is actually the professional bodies that are establishing the curricula for professional organizations.

On motion of Senator Cook, debate adjourned.

#### TRANSPORT AND COMMUNICATIONS

COMMITTEE AUTHORIZED TO EXTEND DATE OF FINAL REPORT ON STUDY OF MEDIA INDUSTRIES

Hon. Joan Fraser, pursuant to notice of May 31, 2005, moved:

That, notwithstanding the Order of the Senate adopted on Tuesday, October 19, 2004, the date for the presentation of the final report of the Standing Senate Committee on Transport and Communications on its study into the current state of Canadian media industries; emerging trends and developments in these industries; the media's role, rights, and responsibilities in Canadian society; and current and appropriate future policies relating thereto, be extended from Friday, June 17, 2005 to Friday, December 23, 2005.

The Hon. the Speaker: Do you wish to speak to the motion, Senator Fraser?

Senator Fraser: Not unless there are questions that anyone would like to have answered.

The Hon. the Speaker: I see no senator rising.

Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to.

• (1450)

[Translation]

#### **ADJOURNMENT**

Leave having been given to revert to Government Notices of Motions:

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That when the Senate adjourns today, it do stand adjourned until Tuesday, June 7, 2005, at 2 p.m.

The Hon. the Speaker: Honourable senators, is leave granted?

Hon. Senators: Agreed.

Motion agreed to.

The Senate adjourned until Tuesday, June 7, 2005, at 2 p.m.

# THE SENATE OF CANADA PROGRESS OF LEGISLATION

(indicates the status of a bill by showing the date on which each stage has been completed)

# (1st Session, 38th Parliament)

## Thursday, June 2, 2005

(\*Where royal assent is signified by written declaration, the Act is deemed to be assented to on the day on which the two Houses of Parliament have been notified of the declaration.)

## GOVERNMENT BILLS

## (SENATE)

Committee
04/10/26
04/11/17
05/02/02

## GOVERNMENT BILLS HOUSE OF COMMONS)

No. C-3 Bill, C Shipp 2001	Eill, C-3, An Act to amend the Canada Shipping Act, the Canada Shipping Act, 2001, the Canada National Marine Conservation Areas Act and the Oceans Act	186	2nd 05/04/14	(HOUSE OF COMMONS)  nd Committee  4/14 Transport and Communications	Report	Amend	3rd	R.A.	Снар.
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3rd	05/02/22	04/12/13	05/03/21	05/02/16	05/04/19		05/05/16	05/04/14	05/05/19	05/02/10	05/05/18	05/03/23	05/03/21
Amend	O	0 observations	0	0	0		0 observations	2	0	0	0 observations	0 observations	0
Report	05/02/15	04/12/09	05/02/22	05/02/10	05/04/14		05/05/12	05/04/12	05/05/18	05/02/10	05/05/17	05/03/22	05/03/10
Committee	Transport and Communications	Banking, Trade and Commerce	National Security and Defence	Energy, the Environment and Natural Resources	National Finance		Legal and Constitutional Affairs	Social Affairs, Science and Technology	Legal and Constitutional Affairs	Aboriginal Peoples	Energy, the Environment and Natural Resources	Transport and Communications	Aboriginal Peoples
2nd	04/12/09	04/12/08	04/12/07	04/12/09	05/03/21		05/02/22	02/03/09	05/05/16	04/12/13	05/02/02	05/02/23	05/02/16
1st	04/11/16	04/12/07	04/11/18	04/11/30	05/03/07	05/06/02	05/02/08	05/02/10	05/05/12	04/12/07	04/12/14	04/12/13	04/12/13
Title	An Act to implement the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment	An Act to provide financial assistance for post-secondary education savings	An Act to establish the Department of Public Safety and Emergency Preparedness and to amend or repeal certain Acts	An Act to amend the Department of Canadian Heritage Act and the Parks Canada Agency Act and to make related amendments to other Acts	An Act to amend the Financial Administration Act, the Canada School of Public Service Act and the Official Languages Act	An Act to establish the Economic Development Agency of Canada for the Regions of Quebec	An Act to amend the Criminal Code (mental disorder) and to make consequential amendments to other Acts	An Act to prevent the introduction and spread of communicable diseases	An Act to amend the Criminal Code, the DNA Identification Act and the National Defence Act	An Act to give effect to a land claims and self-government agreement among the Tlicho, the Government of the Northwest Territories and the Government of Canada, to make related amendments to the Mackenzie Valley Resource Management Act and to make consequential amendments to other Acts	An Act to amend the Migratory Birds Convention Act, 1994 and the Canadian Environmental Protection Act, 1999	An Act to amend the Telefilm Canada Act and another Act	An Act to provide for real property taxation powers of first nations, to create a First
No.	4	C-5	9	C-7	0-8	6-0	C-10	C-12	C-13	4-0	C-15	C-18	C-20

. Chap.		10* 7/05	18/05	21* 16/05	13* 19/05	15 27/04	15 28/04	24* 6/05	23* 11/05	19* 24/05	23* 12/05	13/05	3* 21/05
K.A.		9 05/03/10*	4 05/05/05*	1 05/04/21*	0 05/05/13*	5 04/12/15	5 04/12/15	3 05/02/24*	2 05/03/23*	9 05/05/19*	3 05/03/23*	3 05/03/23*	2 05/05/13*
5		05/03/09	05/04/14	05/04/21	05/05/10	04/12/15	04/12/15	05/02/23	05/03/22	05/05/19	05/03/23	05/03/23	05/05/12
Amend		0	2	0	0	1		0 observations	0	0	I		0
Report		05/03/08	05/04/12	05/04/21	05/05/03	1	1	05/02/22	05/03/10	05/05/18	1		05/05/12
Committee		National Finance	Banking, Trade and Commerce	National Finance	National Finance		I	Legal and Constitutional Affairs	Social Affairs, Science and Technology	Agriculture and Forestry		1	National Finance
2""		05/02/22	05/03/07	05/04/14	05/04/20	04/12/14	04/12/14	05/02/01	05/03/08	05/05/16	05/03/23	05/03/23	05/05/10
10	05/06/02	05/02/16	05/02/15	05/04/13	05/03/07	04/12/13	04/12/13	04/12/13	05/02/22	05/05/12	05/03/22	05/03/22	05/05/10
Title	An Act to establish the Department of Human Resources and Skills Development and to amend and repeal certain related Acts	An Act to amend the Federal-Provincial Fiscal Arrangements Act and to make consequential amendments to other Acts (fiscal equalization payments to the provinces and funding to the territories)	An Act to amend the Patent Act	An Act to amend the Parliament of Canada Act and the Salaries Act and to make consequential amendments to other Acts	A second Act to implement certain provisions of the budget tabled in Parliament on March 23, 2004	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 2, 2004-2005)	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 3, 2004-2005)	An Act to change the boundaries of the Acadie—Bathurst and Miramichi electoral districts	An Act to amend the Federal-Provincial Fiscal Arrangements Act and to enact An Act respecting the provision of funding for diagnostic and medical equipment	An Act to amend the Canada Grain Act and the Canada Transportation Act	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 4, 2004-2005)	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2006 (Appropriation Act No. 1, 2005-2006)	An Act to provide services, assistance and compensation to or in respect of Canadian Forces members and veterans and to make amendments to certain Acts
So.	C-23	C-24	C-29	C-30	C-33	C-34	C-35	C-36	C-39	C-40	C41	C-42	C-45

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No.  C-302 An Act to chan district of Kitch Woolwich Woolwich C-304 An Act to amen (Sen. Kinsella) S-3 An Act to amen (promotion of E (Sen. Kinsella) S-4 An Act to amen (promotion of E (Sen. Gauthier) S-4 An Act to amen Come into force royal assent (Sen. Cools) S-5 An Act to amen Act (Tunning if (Sen. Banks) S-7 An Act to amen (Sen. Banks) S-7 An Act to amen (Sen. Cools)	- 17 - obs	SF	Duc				200		
	little		7	Committee	Report	Amend	2	K.A.	Chap.
	An Act to change the name of the electoral district of Kitchener-Wilmot-Wellesley-Woolwich	04/12/02	04/12/07	Legal and Constitutional Affairs	05/02/17	0 observations	05/02/22	05/02/24*	4/05
	An Act to change the name of the electoral district of Battle River	04/12/02	04/12/07	Legal and Constitutional Affairs	05/02/17	0 observations	05/02/22	05/02/24*	2/02
			SENA	SENATE PUBLIC BILLS					
	Title	181	2 <sup>nd</sup>	Committee	Report	Amend	3rd	R.A.	Chap.
	An Act to amend the Citizenship Act (Sen. Kinsella)	04/10/06	04/10/20	Social Affairs, Science and Technology	04/10/28	0	04/11/02	05/05/05*	17/05
	An Act to amend the Official Languages Act (promotion of English and French) (Sen. Gauthier)	04/10/06	04/10/07	Official Languages	04/10/21	0	04/10/26		
	An Act to amend the Marriage (Prohibited Degrees) Act and the Interpretation Act in order to affirm the meaning of marriage (Sen. Cools)	04/10/06	Dropped from Order Paper pursuant to Rule 27(3) 05/02/22						
	An Act to repeal legislation that has not come into force within ten years of receiving royal assent (Sen. Banks)	04/10/07	04/10/26	Transport and Communications (withdrawn) 04/10/28 Legal and Constitutional Affairs					
	An Act to amend the Canada Transportation Act (running rights for carriage of grain) (Sen. Banks)	04/10/07			Ş				
	An Act to amend the Supreme Court Act (references by Governor in Council) (Sen. Cools)	04/10/07	Dropped from Order Paper pursuant to Rule 27(3) 05/02/22						
	An Act to amend the Judges Act (Sen. Cools)	04/10/07			ļ		1		1
S-9 An Act to amer (Sen. Day)	An Act to amend the Copyright Act (Sen. Day)	04/10/07	04/10/20	Social Affairs, Science and Technology					
S-11 An Act to amer (lottery scheme	An Act to amend the Criminal Code (lottery schemes) (Sen. Lapointe)	04/10/19	04/10/26	Legal and Constitutional Affairs	05/04/12	2 observations	05/05/17		
S-12 An Act concer navigable wate	An Act concerning personal watercraft in navigable waters (Sen. Spivak)	04/10/19	05/06/01	Energy, the Environment and Natural Resources					
S-13 An Act to amer and the Par (Speakership o	An Act to amend the Constitution Act, 1867 and the Parliament of Canada Act (Speakership of the Senate) (Sen. Oliver)	04/10/19	04/11/17	Legal and Constitutional Affairs					
S-14 An Act to protec (Sen. Forrestall)	An Act to protect heritage lighthouses (Sen. Forrestall)	04/10/20	04/11/02	Social Affairs, Science and Technology	05/03/21	0	05/03/23		

Chap.													c		
R.A.															
3rd															
Amend															
Report															
Committee	Subject-matter 05/02/10 Transport and Communications	Subject-matter 05/02/22 Aboriginal Peoples	Banking, Trade and Commerce	Subject-matter 05/02/02 Legal and Constitutional Affairs	Legal and Constitutional Affairs			Legal and Constitutional Affairs	Social Affairs, Science and Technology	Banking, Trade and Commerce	Social Affairs, Science and Technology				
2nd			04/12/07		05/03/10			05/03/10	05/06/01	05/06/01	05/06/01				
181	04/10/20	04/10/27	04/11/04	04/11/30	04/12/02	04/12/09	05/02/01	05/02/03	05/02/16	05/03/23	05/05/05	05/05/10	05/05/12	05/05/16	05/05/18
Title	An Act to prevent unsolicited messages on the Internet (Sen. Oliver)	An Act providing for the Crown's recognition of self-governing First Nations of Canada (Sen. St. Germain, P.C.)	An Act to amend the Criminal Code (criminal interest rate) (Sen. Plamondon)	An Act to provide for increased transparency and objectivity in the selection of suitable individuals to be named to certain high public positions (Sen. Stratton)	An Act to amend the criminal Code (protection of children) (Sen. Hervieux-Payette, P.C.)	An Act to amend the Canada Elections Act (mandatory voting) (Sen. Harb)	An Act to amend the Royal Canadian Mounted Police Act (modernization of employment and labour relations) (Sen. Nolin)	An Act to amend the Criminal Code (cruelty to animals) (Sen. Bryden)	An Act to provide for a national cancer strategy (Sen. Forrestall)	An Act to amend the Bankruptcy and Insolvency Act (student loan) (Sen. Moore)	An Act respecting a National Blood Donor Week (Sen. Mercer)	An Act to amend the Bankruptcy and Insolvency Act (RRSP and RESP) (Sen. Biron)	An Act to amend the Marriage (Prohibited Degrees) Act and the Interpretation Act in order to affirm the meaning of marriage (Sen. Cools)	An Act to amend the Department of Justice Act and the Supreme Court Act to remove certain doubts with respect to the constitutional role of the Attorney General of Canada and to clarify the constitutional relationship between the Attorney General of Canada and Parliament (Sen. Cools)	An Act to amend the State Immunity Act and the Criminal Code (terrorist activity) (Sen. Tkachuk)
, o V	S-15	S-16	S-19	S-20	S-21	S-22	S-23	S-24	S-26	8-28	S-29	8-30	S-32	S-34	S-35

S
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9

No.	Title	18t	2nd	Committee	Report	Report Amend	3rd	R.A.	Chap.
S-25	An Act to amend the Act of incorporation of The General Synod of the Anglican Church of Canada (Sen. Rompkey, P.C.)	05/02/10	05/03/23	Banking, Trade and Commerce	05/05/05	0 observations	05/05/10	05/05/19*	
S-27	An Act respecting Scouts Canada (Sen. Di Nino)	05/02/17	05/04/19	Legal and Constitutional Affairs					

#### **CONTENTS**

#### Thursday, June 2, 2005

PAGE	PAGE
NATORS' STATEMENTS	Health Pharmaceutical Industry—Cross-Border Sales— Government Policy on Foreign Purchase of Prescription Drugs. Hon. Marjory LeBreton
Senate clamation of Conflict of Interest Rules.  1. Jack Austin	Hon. Jack Austin
ada Council for the Arts resentation of Visible Minorities on Board.	Delayed Answers to Oral Questions Hon. Bill Rompkey
n. Donald H. Oliver	Finance Budget 2005—Funds for Infrastructure Program. Question by Senator Oliver. Hon. Bill Rompkey (Delayed Answer)
the Environment Pollution Prevention Award.  1. George J. Furey	Agriculture and Agri-Food Bovine Spongiform Encephalopathy—
eenth Anniversary of Tiananmen Square Massacre.	Class-Action Suit by Coalition of Canadian Farmers. Question by Senator Gustafson. Hon. Bill Rompkey (Delayed Answer)
1. Consiglio Di Nino	Pages Exchange Program With House of Commons The Hon. the Speaker
OUTINE PROCEEDINGS	
	ORDERS OF THE DAY
llity End-of-Life Care	
gress Report Tabled.  1. Sharon Carstairs	Aeronautics Act (Bill S-33)
1. Sharon Carstans	Bill to Amend—Second Reading—Point of Order—
liamentary Delegation to Mexico il 27-29, 2005—Report Tabled.	Speaker's Ruling Reserved. The Hon. the Speaker
nomic Development Agency of Canada for the Regions	Export and Import of Rough Diamonds Act (Bill S-36) Bill to Amend—Second Reading—Debate Adjourned. Hon. Robert W. Peterson
Quebec Bill (Bill C-9)	
t Reading	Criminal Code Cultural Property Export and Import Act (Bill S-37) Bill to Amend—Second Reading—Debate Adjourned.
artment of Human Resources and Skills Development Bill II C-23)	Hon. George Baker
t Reading	Federal Nominations Bill (Bill S-20) Second Reading—Order Stands.
	Hon. Terry Stratton
ESTION PERIOD	Assassination of Lord Moyne and His Contribution to British West Indies
	Inquiry—Debate Continued. Hon. Madeleine Plamondon
Senate	Hon. Madeleine Plamondon
Ader of the Government—Member for Newton—North Delta Possible Successor.  Terry Stratton	Progress Report on Quality End-of-Life Care Inquiry—Debate Adjourned.
Jack Austin	Hon. Sharon Carstairs1392Hon. Leonard J. Gustafson1394Hon. Serge Joyal1395
eries and Oceans	Transport and Communications
to Cut Fisheries Officer and Habitat Management Positions.  Gerald J. Comeau	Committee Authorized to Extend Date of Final Report on Study of Media Industries.
n. Jack Austin	Hon. Joan Fraser
1an Resources Development	Adjournment
Cen Computer Information—Possibility of Identity Theft.  1. Donald H. Oliver	Hon. Bill Rompkey
4. Jack Austin	Progress of Legislation



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**CANADA** 

### Debates of the Senate

1st SESSION

38th PARLIAMENT

VOLUME 142

NUMBER 67

OFFICIAL REPORT (HANSARD)

Tuesday, June 7, 2005

THE HONOURABLE SHIRLEY MAHEU SPEAKER PRO TEMPORE



#### **CONTENTS**

(Daily index of proceedings appears at back of this issue).

#### THE SENATE

Tuesday, June 7, 2005

The Senate met at 2 p.m., the Speaker pro tempore in the chair.

Prayers.

#### SENATORS' STATEMENTS

#### SIXTY-FIRST ANNIVERSARY OF D-DAY

Hon. Joseph A. Day: Honourable senators will be aware that 2005 is the Year of the Veteran, marking the sixtieth anniversary of the end of World War II.

I rise today to commemorate the courage and sacrifice made by Allied soldiers during one of the most important battles of the Second World War. D-Day occurred 61 years ago yesterday. It was a day soldiers had been working, training, waiting and planning for, for years. There were battles on the eastern front, and soldiers had been fighting for some time in Italy, but Allied soldiers and officers believed that a third front was necessary.

The German army had been occupying 80 kilometres of mostly flat, sandy beach along the Normandy coast. Those German soldiers awoke on the morning of June 6 to view a vast armada posed to invade occupied France. During the night of June 5, 1944, the Allied navies — Canadian, British and American — had brought a huge invasion fleet from England. What transpired the morning of June 6, 1944, changed the course of history.

The Allied forces brought together for this battle included 155,000 soldiers, 5,000 ships, 50,000 vehicles and 11,000 aircraft. Canada's contribution — at a time when our nation's population was 12 million — consisted of approximately 35,000 men in this battle alone, comprising 14,000 soldiers, 10,000 sailors and approximately 10,000 Royal Canadian Air Force members involved with reconnaissance planes, Lancaster bombers and Spitfire fighters. There were four beaches at Normandy; two of them were taken by the Americans, one by the British and one by the Canadians. The beach taken by the Canadian soldiers became known as Juno Beach.

After a fierce day of fighting, the first line of Nazi defence had been broken. By evening, Canadian troops had progressed further inland than any of the Allied forces. It was a remarkable achievement, but that success on D-Day was costly. On that day, 340 Canadians had given their lives, another 570 had been wounded, some of them seriously, and a further 47 soldiers had been taken prisoner.

For what they did to help preserve our way of life, our freedom and the laws to which we would be subject, we have pledged that at the going down of the sun and in the morning we will remember them.

Hon. Michael A. Meighen: Honourable senators, it is with great honour that I join my colleague Senator Day and others in this place in commemorating the anniversary of D-Day, June 6, 1944.

At approximately 5 a.m. local time on that fateful day, the sun rose to reveal an astonishing armada of Canadian, British, American and other Allied ships carrying thousands of determined troops. Their purpose was to bring freedom to the people of France and the rest of Europe.

These days, honourable senators, when the sun rises over Courseulles-sur-Mer, it reveals a popular swimming and tanning destination. Instead of Canadian soldiers wading through the water in the teeth of murderous fire, there are children swimming and playing along the shoreline. The beach's long tides, shallow slope and grassy dunes make it an ideal vacation spot. It is difficult to imagine that this beautiful, tranquil beach, code-named Juno, was once the scene of a ferocious battle. It is almost impossible to conjure up in one's mind the strikingly different picture of 61 years ago. As Canadians moved up from the shoreline and into the Norman countryside, they fought with rare courage, perseverance and determination.

#### [Translation]

Today the Juno Beach Centre stands at the very spot where the Canadians landed. This building is a kind of beacon, shedding its light on Canada's remarkable military and civilian contributions in France and elsewhere during the Second World War, and preserving those memories for future generations.

With the passing years, it is becoming increasingly important to remember and to honour the ultimate sacrifice made by 5,400 Canadians during the Normandy campaign.

#### [English]

As the waves wash away the sands of Juno Beach, it behoves us to ensure that time does not wash away the memories of June 6, 1944. All Canadians from coast to coast to coast, along with the generations of Canadians to come, must never forget this pivotally important event in our history. Just as the Juno Beach Centre seeks to educate persons from around the world about Canada's contribution to the Second World War, we, too, must take on this role in educating our children and grandchildren about the role we played as a nation. In this, the Year of the Veteran, let us resolve never to forget.

#### JOHN ALLAN CAMERON

Hon. Terry M. Mercer: Honourable senators, when one listens to Celtic music, one immediately thinks of Nova Scotia, and in particular Cape Breton Island. At the same time, one of the names that comes to mind is John Allan Cameron. Before the Rankin Family or Natalie MacMaster, there was "Johnallan."

#### • (1410)

A proud son of Inverness County, John Allan was diagnosed with a rare bone marrow cancer and leukemia three months ago. To help raise funds for his treatment, numerous artists from across the Maritimes and, indeed, all of Canada converged and planned three benefit concerts in Glace Bay, Mabou and Halifax.

Honourable senators, as he is a permanent fixture on the Canadian music scene, it was no surprise to see the outpouring of generosity to John Allan as he fights to keep his spirit and determination strong. That generosity was very evident as his presence still commands an audience — all shows are sold out.

I am reminded of an incident of a few years ago during An Evening in the Maritimes, held here in Ottawa, which many honourable senators attended. Our colleague Senator Buchanan, John Allan and I were on stage at the Congress Centre singing Out On the Mira, one of the signature songs that all Nova Scotians know by heart. I remember the reaction of the crowd—not for me or for Senator Buchanan, much to his chagrin—to John Allan. He is the godfather of Celtic music.

Honourable senators, to play the 12-string guitar is by no means an easy feat, but John Allan is a true master. His quick wit and beaming smile made converts of people who did not know that Celtic music could be so exciting and so cool. People will always recognize his signature shout of "Yes!" during concerts or in the background of songs.

Honourable senators, it is a true testament to the life of a person when their colleagues care so much for their well-being.

When I was on the board of directors of the Kidney Foundation of Canada, John Allan gave free, spontaneous concerts all across the country in support of the foundation.

I take this opportunity to wish John Allan a speedy recovery and many more years of the toe tapping, hoots and hollers that we have all come to admire.

#### INTERNATIONAL FUND FOR IRELAND

Hon. Donald H. Oliver: Honourable senators, I was pleased to learn on May 19 that Canada has increased its annual financial contribution to the International Fund for Ireland. The International Fund for Ireland was established as an independent international organization by the British and Irish governments in 1986. Its objectives are to promote economic and social advancement and to encourage contact, dialogue and reconciliation between unionists and nationalists throughout Ireland.

Canada has been a contributor to the International Fund for Ireland since 1987. We currently contribute \$333,000 a year. Canada's financial commitment will rise to \$500,000 per year for the next four years, reaching a total of \$2 million by the year 2009.

The Chairman of the International Fund for Ireland, Dennis Rooney, describes the increase as "hugely significant because it is a practical demonstration of Canada's longstanding commitment to a peaceful future for Ireland."

Honourable senators, from February 25 to March 5 of this year, I was part of an all-party delegation of parliamentarians who travelled to Belfast and Dublin, Ireland, to monitor the status of the Northern Ireland peace process. Our delegation included Senator David Smith, Roger Valley, Jason Kenney, Bill Blaikie, Monique Guay and Pat O'Brien.

In Ireland, we were able to witness firsthand the fallout from the violent conflict between Catholics and Protestants in Northern Ireland, which has plagued the country for decades. We were also able to conduct consultations with Irish parliamentarians and community leaders who are still reeling from the violent murder of Robert McCartney, allegedly by members of the Irish Republican Army. The McCartney murder will forever change the cultural and religious divide in Northern Ireland.

Honourable senators, for nearly two decades Canada has been a major contributor to the International Fund for Ireland. This latest increase in funding will enable Canada to continue to play a significant role in the Irish peace process.

#### **ENVIRONMENT WEEK**

Hon. Tommy Banks: Honourable senators, June 5 to 11 is Environment Week. During this week, we focus on things Canadians can do to make Canada greener. As Chair of the Standing Senate Committee on Energy, the Environment and Natural Resources, I would be remiss if I did not mention that we should all be striving to set good examples, not only this week but every week.

I would like to draw to your attention the Commuter Challenge. It is a national event that encourages people to commute this week in an environmentally friendly way and to document it. This is a friendly competition that takes place among companies and institutions, and it ought to include ours.

The Senate is usually compared in that challenge with the other place, the Library of Parliament and the Department of Public Works. In the past, we have not had anything to boast about in this chamber, although we are supposed to be setting good examples.

This year, I encourage every senator and their staffs to get involved. First, we have to find an environmentally friendly way to get to work. Driving a green SUV does not count. We might walk, as I have the privilege of doing, take public transit or car pool with at least two occupants. Those wishing to participate may register with the Commuter Challenge. The easiest way to do that is to contact my assistant, Tom Smith. Then, record how you get to work for one week, and, of course, continue to commute that way for the rest of your life.

By taking part in this challenge, participants are eligible to win prizes that range from environmentally friendly products to recreational gear.

I personally challenge each senator to join in the Commuter Challenge, not only this week but particularly this week, and to keep a record. I hope that at least half of the senators will do that so that I will be able to crow about the Senate's achievements in this challenge, something I have not been able to do in past years.

[Translation]

#### ROUTINE PROCEEDINGS

#### INFORMATION COMMISSIONER

2004-05 ANNUAL REPORT TABLED

The Hon. the Speaker pro tempore: Honourable senators, I have the honour to table the annual report of the Information Commissioner of Canada for the period from April 1, 2004 to March 31, 2005.

[English]

#### LABRADOR INUIT LAND CLAIMS AGREEMENT LABRADOR INUIT TAX TREATMENT AGREEMENT

#### **TABLED**

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour to table, in both official languages, the Labrador Inuit Land Claims Agreement, signed January 22, 2005, on behalf of the Inuit of Labrador, Her Majesty the Queen in Right of Newfoundland and Labrador, and Her Majesty the Queen in Right of Canada.

I also have the honour to table the Labrador Inuit Tax Treatment Agreement, signed on behalf of the Inuit of Labrador on March 15, 2005, Her Majesty the Queen in Right of Newfoundland and Labrador on March 24, 2005, and Her Majesty the Queen in Right of Canada on April 12, 2005.

[Translation]

#### NATIONAL DEFENCE

HOUSE OF COMMONS—NATIONAL DEFENCE AND VETERANS AFFAIRS COMMITTEE REPORT— GOVERNMENT RESPONSE TABLED

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour to table, in both official languages, a copy of a document entitled "Fiscal Year 2003-2004 Annual Report to the Standing Committee on National Defence and Veterans Affairs on Quality of Life in the Canadian Forces."

Hon. Senators: Hear, hear!

[English]

### NATIONAL DEFENCE ACT CRIMINAL CODE SEX OFFENDER INFORMATION REGISTRATION ACT CRIMINAL RECORDS ACT

BILL TO AMEND—FIRST READING

Hon. Bill Rompkey (Deputy Leader of the Government) presented Bill S-39, to amend the National Defence Act, the Criminal Code, the Sex Offender Information Registration Act and the Criminal Records Act.

Bill read first time.

The Hon. the Speaker pro tempore: Honourable senators, when shall this bill be read the second time?

On motion of Senator Rompkey, bill placed on the Orders of the Day for second reading two days hence.

• (1420)

[Translation]

#### NATIONAL SECURITY AND DEFENCE

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO MEET DURING SITTING OF THE SENATE

**Hon. Pierre Claude Nolin:** Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Standing Senate Committee on National Security and Defence have power to sit on June 20, 21 and 22, 2005, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto; and

That if the Senate has adjourned for a period exceeding one week, the Standing Senate Committee on National Security and Defence be empowered, in accordance with Rule 95(3), to sit on June 20, 21 and 22, 2005.

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO MEET DURING ADJOURNMENT OF THE SENATE

**Hon. Pierre Claude Nolin:** Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Standing Senate Committee on National Security and Defence be empowered, in accordance with Rule 95(3), to sit on September 14, 15 and 16, 2005, even though the Senate may then be adjourned for a period exceeding one week.

[English]

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO EXTEND DATE OF FINAL REPORT ON STUDY OF VETERANS' SERVICES AND BENEFITS, COMMEMORATIVE ACTIVITIES AND CHARTER

Hon. Michael A. Meighen: Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That, notwithstanding the Order of the Senate adopted on November 4, 2004, the date for the presentation of the final report by the Standing Senate Committee on National Security and Defence on veterans' services and benefits, commemorative activities and charter, be extended from June 30, 2005, to March 31, 2006. 1400

#### SEA-DUMPED MUNITIONS AND SEISMIC TESTING

#### NOTICE OF INQUIRY

**Hon. Gerard A. Phalen:** Honourable senators, pursuant to rule 57(2) of the *Rules of the Senate*, I give notice that on Tuesday next, June 14, 2005:

I will call the attention of the Senate to sea-dumped munitions and seismic testing.

#### **QUESTION PERIOD**

#### THE ENVIRONMENT

SIERRA CLUB THIRTEENTH ANNUAL REPORT CARD ON KYOTO PROTOCOL

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, the Sierra Club of Canada just released its Thirteenth Annual Rio Report Card, 2005 which grades governments on how well they are meeting commitments first made at the 1992 Earth Summit in Rio de Janeiro. The report failed Paul Martin's Liberals in many areas. My question is: Has the Leader of the Government read the report? If so, will he comment on its contents?

Hon. Jack Austin (Leader of the Government): Honourable senators, I am not aware of the report, I have not read it and, therefore, I cannot comment on its contents.

Senator Stratton: Canada is not meeting the commitments made at the Rio Summit. For example, progress was noted on the climate change file but failing marks were handed out for our fisheries policies, our efforts to make trade and environment mutually supportive, and with regard to our commitment to review and reform pesticide and toxic policies. The revised climate plan is an improvement, but much more must be done if we are to deliver on Kyoto's commitments. The key words are "Kyoto's commitments." The Martin government also needs to respond to the threat of toxic chemicals to human health and make radical changes to our fisheries policies.

Canada still has not signed the UN treaty on biodiversity, although Canada championed it at the Earth Summit. The Convention on Biodiversity is intended to slow the global extinction of species. Does the Leader of the Government in the Senate have any background information on the obstacles that are preventing our ratification of this treaty and, if so, what issues are at play?

Senator Austin: I will take the question as notice, honourable senators.

#### FEDERAL CROWN CORPORATIONS AND AGENCIES

#### REPRESENTATION OF VISIBLE MINORITIES ON BOARDS

Hon. Donald H. Oliver: Honourable senators, my question is for the Leader of the Government in the Senate. Last Thursday I rose in the chamber and brought to the attention of honourable senators the fact that there are no visible minorities on the board of directors of the Canada Council for the Arts. This national, arm's-length agency reports to the Minister of Canadian Heritage and was created by an act of Parliament in 1957 with a specific mandate to "encourage the engagement of visible minority, Aboriginal and immigrant Canadians in the arts labour force."

Honourable senators, similar to the Canada Council for the Arts, the National Arts Centre reports to Parliament through the Honourable Minister of Canadian Heritage, Liza Frulla. There are eight members on the board of trustees at the NAC, two ex-officio members and five outside members. Not one of the 15 board members is a visible minority.

Does the Leader of the Government believe that there should be visible minority representation on significant public boards of directors and, if so, will he undertake to make representations to colleagues in cabinet in an attempt to rectify this problem to ensure that the face of federal boards and agencies more closely reflects the multicultural mosaic of Canada?

Hon. Jack Austin (Leader of the Government): Honourable senators, to make my personal position clear, I believe that no qualified Canadians should be barred from appointment to any tribunal, Crown corporation or other agency of the Government of Canada. I believe as well that a number of people described as visible minorities are qualified to be on the arts council. Certainly, I will lend support to Senator Oliver's representation when appointments to that and other councils are considered by the Governor-in-Council.

In response to the teasing from the other side, I will not remind them of the famous dictum of former Prime Minister Mulroney about appointing Liberals.

**Senator Oliver:** I thank the honourable senator for that response. It is most encouraging.

#### THE SENATE

THE SPEAKER—PARLIAMENTARY DELEGATIONS ABROAD—REPRESENTATION OF VISIBLE MINORITIES

Hon. Donald H. Oliver: The Speaker of the Senate is fourth in the order of precedence following the Governor General, the Prime Minister and the Chief Justice of the Supreme Court of Canada. He is appointed by and reports to the Prime Minister of Canada. In this respect, the Speaker fulfills his ceremonial role by receiving visiting heads of states or heads of governments in the Speaker's chamber, with other parliamentarians and officials. The Speaker of the Senate also has the privilege of representing Parliament and the Government of Canada abroad. Simply put, the Speaker is often the face of Canada when he visits foreign countries to advance Canada's relations to the world.

According to his official website, the Speaker of the Senate has been involved in 30 international trips since June 2001, travelling to at least 46 countries. According to the website records, visible minority senators have accompanied the Speaker on only two of those occasions. The record shows that no visible minority senator has accompanied the Speaker of the Senate on his trips for the last 19 months.

Honourable senators, Canada must portray its identity as a multi-racial and multi-cultural nation. Official state visits by the Speaker of the Senate is the perfect venue to introduce the world to Canada's multi-cultural character, including its important Aboriginal peoples. Will the Leader of the Government in the Senate take action so that when the Speaker travels abroad his delegation will represent the true ethnic composition of Canada, including Aboriginals and visible minorities?

• (1430)

Hon. Jack Austin (Leader of the Government): Honourable senators, insofar as that question has to do with my responsibilities, I have to advise that I have no role to play in the choice by the Speaker of colleagues who may wish to travel with him. The Speaker makes his own decisions with respect to the persons in his delegation. The composition of those delegations is not a role for the government; nor, as far as I know, is it a role for the Leader of the Opposition. The balance of the question should properly be directed to the Speaker.

#### SENATORIAL APPOINTMENTS— FEMALE REPRESENTATION

Hon. Marcel Prud'homme: I have a supplementary question, honourable senators. There are, at the moment, seven vacancies in the Senate. There will be eight vacancies as of next week. There will be 12 vacancies before Christmas.

One of my strong wishes is for Canada to be the first country in the world to have equality of women and men in Parliament — for there to be an equilibrium in the Senate. The Right Honourable Jean Chrétien made a good effort, but it should be continued.

We know that two of our former colleagues, Mr. Laurier LaPierre and Mr. Jean-Robert Gauthier, were replaced by two fine people. One is a woman — which pleases me, because that is one of my goals. The other one was an ex-colleague, so I have no comment. He was a colleague, so I cannot talk about him.

My wish is to be taken seriously by this bunch of macho senators who are laughing at the moment.

Equality in numbers has been my sincere wish for years and years. Until Canadians decide how to dispose of the Senate, how to elect the Senate, how to reform the Senate, filling the current and future vacancies in the Senate presents a golden occasion to have equality.

Anyone who watched television last night saw how horribly we treat women in British Columbia. Anyone who has travelled to Manitoba will be aware of the unbelievable treatment the First Nations have to go through. Thirteen per cent of the population of Manitoba is First Nations. However, honourable senators, I regret to say that they make up more than 48 or 49 per cent of the people in jail. It is the same thing in Saskatchewan.

I believe women have the kind of devotion that men do not have, and I stand by that belief.

Again, I would ask the Leader of the Government in the Senate to relay to the Prime Minister and to cabinet that he has the option — Prime Minister Paul Martin has the option — to continue Mr. Chrétien's tradition of appointing women to the Senate. There will be four vacancies in Quebec by next week — and nothing has been done.

I am not proposing any names. I just want to make sure that women are considered for these vacancies, because women are highly devoted. There are women candidates in the First Nations, as well as women experts in Quebec law.

I would ask the honourable leader to relay this information to the Prime Minister, please.

Hon. Jack Austin (Leader of the Government): Honourable senators will have noticed that, in the only group of senatorial appointments made by Prime Minister Martin thus far, women made up four of the nine senators appointed.

Nonetheless, I would certainly be happy to convey a summary of Senator Prud'homme's comments to the Prime Minister.

#### **FINANCE**

#### BUDGET 2005—CREATION AND AUDITING OF AND CONTRIBUTIONS TO FOUNDATIONS

Hon. David Tkachuk: Since 1997, the government has made extensive use of foundations as a means to spend money that would otherwise lapse at year-end. A handful was created through legislation; most were simply incorporated under the Canada Corporations Act.

In the government's agreement with the NDP, which calls for significant sums to be spent when the surpluses for the current and coming fiscal years are known with certainty, Bill C-48, the so-called "NDP budget bill," contains a clause allowing the government to acquire corporations or create new corporations for the purposes of carrying out the deal. Can the Leader of the Government in the Senate enlighten this chamber as to the purpose of these new corporations or foundations?

Hon. Jack Austin (Leader of the Government): Honourable senators, I will have to take notice of the question. Obviously, when the bill comes here, full information will be available.

Senator Tkachuk: Under the main budget bill, the Auditor General will perform compliance and performance audits on foundations that receive more than \$100 million of government money over a five-year period. Why is the government setting such a high threshold? Was any study done by the Department of Finance or by the Privy Council Office as to why they decided on \$100 million — and not \$25 million or \$50 million or \$75 million?

Senator Austin: Honourable senators, I will make inquiries in the hope that I can quickly inform Senator Tkachuk.

Senator Tkachuk: The government, also through the main budget bill, Bill C-43, will be advancing additional funds to several foundations: \$40 million to the Aboriginal Healing Foundation; \$50 million to the Asia Pacific Foundation of Canada; \$30 million to the Canadian Academies of Science; \$10 million to the Canadian Youth Business Foundation; \$165 million to Genome Canada; and \$20 million for Precarn Incorporated. With the exception of funding for Genome Canada, which was \$165 million, all these grants are under the \$100-million amount.

Will the government require that these foundations submit to a performance audit by the Auditor General?

Senator Austin: Honourable senators, I will have to make inquiries with respect to the agreements that exist between those foundations and the Government of Canada regarding performance audits and advise Senator Tkachuk.

#### JUSTICE

#### ACCESS TO INFORMATION ACT— LEGISLATION TO AMEND

Hon. Marjory LeBreton: Honourable senators, it has now been more than six years since former Justice Minister Anne McLellan told Parliament through her department's 1999-2000 report on plans and priorities that her officials were working on amendments to the Access to Information Act. It has now been almost five years since the then-minister announced in August 2000 that a task force would review the act. It has been three years since former Justice Minister Martin Cauchon released the results of this review in June 2002.

Last week, current Justice Minister Irwin Cotler told the Canadian Newspaper Association that the government would not present a bill but rather a draft bill in the fall. Given the Prime Minister's promise to call an election shortly after Justice Gomery's report is made public, there is essentially no chance of the government fixing the access law before the next election.

Could the Leader of the Government in the Senate advise the Senate as to why, six years after promising to overhaul what is clearly an outdated law with too many exemptions, and three years after receiving the results of a review of the act, the justice minister is unable or unwilling to promise anything beyond a draft bill?

Hon. Jack Austin (Leader of the Government): Honourable senators, the subject matter of access to information is one of real complexity, and it has many stakeholders. The government has been working on a draft bill and dealing with the stakeholders. I was hoping the government could introduce its amendments before the end of this month, or possibly an entire new piece of proposed legislation, but that does not now appear to be the case.

With respect to the question of why, I shall make further inquiries.

#### ACCESS TO INFORMATION ACT— LEGISLATION TO INCLUDE CROWN CORPORATIONS

Hon. Marjory LeBreton: Honourable senators, a few months ago the President of the Treasury Board announced several measures the government plans to take to strengthen the governance and accountability of Crown corporations, one being expanding the Access to Information Act to include several currently exempt Crown corporations. At the time, we were told that the government would act in a timely manner to implement those measures.

If the government is not willing to immediately amend the act, is there any reason why it cannot take immediate steps to expand the existing act to include all Crown corporations and to ensure that any new Crown corporations, such as those contemplated in the NDP budget bill, fall under the Access to Information Act?

Hon. Jack Austin (Leader of the Government): Honourable senators, in answer, I shall make inquiries, and I appreciate Senator LeBreton's support for accelerated consideration of this legislation.

#### CANADIAN FOOD INSPECTION AGENCY

CAMPBELL RIVER AQUACULTURE FARM— PRESENCE IN CHINOOK SALMON OF BANNED CHEMICAL MALACHITE GREEN

Hon. Gerry St. Germain: Honourable senators, my question is to the Leader of the Government in the Senate as well. It relates to traces of the banned chemical malachite green, a suspected carcinogen, found in chinook salmon raised on a B.C. fish farm.

As soon as the presence of this banned fungicide was discovered, the Canadian Food Inspection Agency issued an immediate recall of the salmon that had been sent out for processing. Although more than 35,000 contaminated salmon were destroyed before they could reach consumers, officials were unable to trace and recall nearly 85,000 fish. In other words, some of the salmon was consumed by Canadians.

• (1440)

Can the government leader please update us on what efforts the CFIA is engaged in to discover how this banned substance made its way into the chinook salmon farm in Campbell River?

Hon. Jack Austin (Leader of the Government): I will be pleased to bring to the chamber any information the government possesses on this topic. The first reports revealed that the aquaculture company in whose process line this malachite green was discovered could not offer any explanation as to how it had come to be in their particular aquaculture process.

There was some concern raised, less as to immediate health questions and more as to aquaculture processing, in trying to determine what happened here. For those who are not aware, this particular chemical is designed to destroy sea lice. It is carcinogenic, as Senator St. Germain suggests, and I will pursue additional information.

Senator St. Germain: As the honourable senator knows, aquaculture is under a certain amount of attack in its present state, let alone when we have problems. CFIA issued a recall for the salmon sent out for processing, but no public alert was issued.

If he cannot give us an immediate response to this question, can the minister find out how carcinogenic this chemical is and whether it does pose a danger to those people who consumed the 85,000 fish? Could the Leader of the Government in the Senate advise us of CFIA's policy for issuing for public alerts? Apparently there was no public alert and maybe there is a reason. Perhaps it was not necessary. However, I think that members of the public have a right to know, and this would be a good avenue to discover what really happened.

Senator Austin: I agree with Senator St. Germain. The policy of the Canadian Food Inspection Agency on alerts should be better known, and I will endeavour to bring that information to the chamber.

#### BUSINESS OF THE SENATE

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I rise to draw the attention of the house to rule 24(1) of the Rules of the Senate. It provides that:

When the Speaker calls the Question Period, a Senator may, without notice, address an oral question to:

- (a) the Leader of the Government in the Senate, if it is a question relating to public affairs,
- (b) a Senator who is a Minister of the Crown, if it is a question relating to his ministerial responsibility...

The Honourable Leader of the Government in the Senate makes himself available in the chamber on a regular basis, which we on this side appreciate. It is quite rare that he is not here.

This side also draws the attention of the Senate to rule 24(1)(c), which indicates that the chairman of a committee is a person to whom an honourable senator may direct a question. I have had a question for some time for the chairman of one particular committee, and he is never here.

Senator Mercer: Who is that?

Senator St. Germain: Senator Mercer.

Senator Kinsella: I do not wish to identify him. I do wish to draw it to the attention of the house. I would ask Her Honour to concur with my understanding of the rules; namely, that senators do have the right to ask their question of chairs of committee. A conditio sine qua non applies to this rule, which is that the chair of the committee must be present.

Hon. Jack Austin (Leader of the Government): Honourable senators, on this point of order, let me clearly explain that this chamber has authorized the Senate Standing Committee on Social Affairs, Science and Technology to hold hearings across the country on its study of mental health. Therefore, the chairman of that committee is absent with the approval of the Senate. I know that my honourable friend did not name a particular senator.

**Senator Kinsella:** It was not that chair I had intended to ask the question of.

**Senator Austin:** I am delighted. It is very difficult sometimes to be of help if the question is of such a general nature that one does not understand what it means.

Senator St. Germain: More than one is truant.

Hon. Anne C. Cools: Your Honour, I heard Senator Austin talk about a point of order. Is this a point of order? Are we on a point of order? Senator Kinsella says no. We are not on a point of order. He was just drawing attention to the rule. That is fine.

[Translation]

#### ORDERS OF THE DAY

#### HIGHWAY 30 COMPLETION BRIDGES BILL

SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator De Bané, P.C., seconded by the Honourable Senator Smith, P.C., for the second reading of Bill S-31, to authorize the construction and maintenance of a bridge over the St. Lawrence River and a bridge over the Beauharnois Canal for the purpose of completing Highway 30.

Hon. Pierre Claude Nolin: Honourable senators, it is a pleasure for me to speak at second reading stage to Bill S-31, which authorizes the construction of two bridges over the St. Lawrence River required for the completion of Highway 30.

I will begin by saying that the public and the major economic development stakeholders in the Suroît region have been waiting impatiently for almost forty years now for this major highway project, started in 1968, to be completed.

Honourable senators, it is not my intention to give a detailed explanation of the provisions of Bill S-31. Senator De Bané did a fine job on May 16.

Instead, I would rather reiterate the need for cooperation between the Governments of Canada and Quebec so that Highway 30 can finally ease road congestion in the Greater Montreal area.

This highway construction project to link the industrial municipalities on the south shore of the St. Lawrence River began in the early 1960s.

In 1977 the highway of steel, as it was nicknamed, was supposed to connect the municipalities of Bécancour, south of Trois-Rivières, and Valleyfield, southwest of Montreal, at the opposite end.

The purpose of this new artery was to replace Highway 132 — for those familiar with the Montreal area — as an inter-regional axis, providing the south shore with a rapid and safe way to bypass Montreal, and capable of supporting the economic development of the Montérégie region.

This is an important consideration, since Highway 30 would support the economic development of the municipalities of Valleyfield and the Melocheville-Beauharnois region by ending the relative isolation in which, unfortunately, they are currently caught.

Between 1968 and 1996, the Quebec government built various discontinuous sections of this expressway. During that period, the section connecting the municipalities of Sorel-Tracy and Candiac was completed, as was the section bypassing the Kahnawake reserve in order to connect the municipalities of Sainte-Catherine and Châteauguay.

According to the schedule established in the early 1960s, the project was supposed to be completed in 1980.

#### **(1450)**

Twenty-five years later, two important sections are still missing, an 8-kilometre stretch connecting the towns of Candiac and Sainte-Catherine, and a 42-kilometre stretch linking the municipalities of Châteauguay, Valleyfield and Vaudreuil-Dorion.

Honourable senators, you must admit that time is running out!

Unlike Toronto, Quebec City or Winnipeg, the Greater Montreal area does not have a bypass route, even though it represents a trading hub between Ontario and the United States, in one direction, and the eastern part of the country in the other.

To tell the truth, the Montreal area has only one direct, continuous east-west corridor. That is the Autoroute Métropolitaine, which is located right in the middle of the Island of Montreal, in an unfortunately outdated and overloaded road network.

In March 1995, a study conducted by the Quebec Department of Transport concluded that by 2016, the Autoroute Métropolitaine would no longer respond to all the new demands for the movement of people and goods.

Honourable senators, the economy of Montreal and the Montérégie will suffer because of this situation, and for good reason. Almost 85 per cent of the exports of goods manufactured in the greater metropolitan area originate in Montreal and the Montérégie. Moreover, 90 per cent of the products used everywhere in Quebec come from these two regions; as do 73 per cent of Quebec exports to the United States, and 87 per cent of its exports to Ontario and Western Canada.

Statistics provided to the federal government in 2000 by Roche-Deluc, a consulting group, pointed out that the economy of the greater metropolitan area was already paying a high price for this disturbing situation.

In the Montreal area alone, it estimated the loss of economic productivity caused by road congestion at more than \$500 million per year.

Two years later, in 2002, the Federal Bridge Corporation Limited, a federal agency that manages the Champlain and Jacques-Cartier Bridges, confirmed that, far from improving, the situation would only get worse if no bypass route were constructed by 2010.

A report that received wide media attention stated that within the next 15 years, the Champlain Bridge would have to be rebuilt because of the continuing stress resulting from the passage of more than four million trucks every year.

According to that federal corporation, nearly half of the 4.3 million heavy vehicles that use the Champlain Bridge each year would not need to cross the Island of Montreal if Highway 30 were completed to its full length.

In urging the governments of Canada and Quebec to cooperate in reviving this major highway project, the Federal Bridge Corporation was only adding its voice to those of the Montreal International organization, the regional action committee for Highway 30, the Quebec Trucking Association and the coalition for infrastructure renewal.

Highway 30 should be completed not just for economic reasons, but also for safety reasons. In 2000, a study by the Quebec Department of Transport found that 75 per cent of hazardous material coming into Quebec by road entered by Highway 132, already heavily travelled in the western Montérégie, where more than 39 per cent of the buildings along the road are residential.

Honourable senators, the report published by the Federal Bridge Corporation was perhaps the driving force behind an era of cooperation between Ottawa and Quebec on this important issue, although from 2000 to 2003, the completion of Highway 30 was the focus of an unfortunate federal-provincial confrontation.

Fortunately, in 2003, an agreement was reached between the two levels of government on cost-sharing for this project. As a result of that agreement, the Government of Quebec agreed to complete the Candiac-Sainte-Catherine section by 2008. The part of the highway linking Châteauguay and Vaudreuil-Dorion, will be jointly built by Ottawa and Quebec in partnership with the private sector, given the interest expressed by several companies in this project.

The federal and provincial governments will split costs on an equal basis, above and beyond what the private sector puts in.

In addition to the funding that will come from the Canada Strategic Infrastructure Fund, the federal government has committed to authorizing the construction of two new bridges over the seaway and the St. Lawrence River, which is the reason for Bill S-31 now before us.

As Senator De Bané has mentioned, the Government of Quebec will be the owner of these infrastructures and it is important to remember that.

Under the very tight schedule set out in the agreement that I have referred to, the work, including construction of the two bridges on this second section of highway, should be completed in 2009, just four years from now.

Already, in April 2000, the Government of Quebec indicated in its transportation management plan for the Greater Montreal area that it wanted to build the two missing sections of highway by 2010.

During the same year, the Quebec National Assembly passed legislation dealing with transportation infrastructure partnerships that sets the framework for long-term agreements between the Government of Quebec and private enterprise.

Provincial authorities were hoping that the legislation, which covers the design, construction, operation, maintenance and financing of such projects, would apply to the completion of Highway 30.

Honourable senators, some of you will perhaps allude to the fiasco over Highway 407, in the Toronto area, which was built in partnership with the private sector, and where the tolls increased by almost 200 per cent after the road went into service, to cast doubt on the long-term participation of the private sector in this project.

While the federal and provincial governments have stated that any partnership agreement with private enterprise will be based on a process that is transparent, fair and competitive, and respectful of the requirements related to infrastructure specifications, members of the Senate, including members of the standing committee who will study Bill S-31, should ensure that everything has been done to avoid a repetition of the problems that developed in the Toronto area.

Honourable senators, private sector participation in the completion of Highway 30 is desirable, but it must not compromise the long-term viability of this project.

Having said that, the schedule set out in the agreement for construction of the section from Châteauguay to Vaudreuil-Dorion called for the completion, in 2004, of reports jointly funded by the two levels of government at a cost of \$21 million for studies and other preliminary works, to confirm interest in a public-private partnership.

That was to be followed by a private sector qualification process in November 2004, the publication of a tender call to private sector partners by the end of June, this year, and the signing of a contract by the end of the fall. Out of concern for transparency, some clarification will be necessary on the process that I have just described.

According to a progress report just published on May 30 by the Quebec Department of Transport, the process for selecting a private sector partner appears to be moving forward. I know you will agree with me that the Liberal government could certainly have introduced Bill S-31 before today. Perhaps — and this should make some members smile — the government wanted to confirm what the former Premier of Quebec, Maurice Duplessis, often stated: that the promise of a bridge should be good for at least three elections! Heaven knows that he was considered a master in electoral planning!

• (1500)

Let us not forget that the new government's announcement on these bridges dates back to the 37th federal election in November 2000.

In conclusion, honourable senators, in the interest of promoting economic development and relieving the growing frustration of hundreds of thousands of motorists and truck drivers, I can only hope that the 2009 deadline will be respected and that both levels of government will work together to make this project involving the private sector a success.

We — on both sides of this chamber, I am sure — are in favour of Bill S-31 so that Montreal can support its own economic development, and that of Eastern Canada, during the 21st century.

The Hon. the Speaker pro tempore: Are honourable senators ready for the question?

Some Hon. Senators: Question!

**The Hon. the Speaker** *pro tempore*: It was moved by the Honourable Senator De Bané, seconded by the Honourable Senator Smith, that this bill be read the second time. Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

The Hon. the Speaker pro tempore: Honourable senators, when shall this bill be read the third time?

On motion of Senator Rompkey, bill referred to the Standing Senate Committee on Transport and Communications.

#### ECONOMIC DEVELOPMENT AGENCY OF CANADA FOR THE REGIONS OF QUEBEC BILL

#### SECOND READING—DEBATE ADJOURNED

Hon. Céline Hervieux-Payette moved second reading of Bill C-9, to establish the Economic Development Agency of Canada for the Regions of Quebec.

She said: Honourable senators, it is with great pleasure that I speak today in debate at second reading of Bill C-9, to establish the Economic Development Agency of Canada for the Regions of Quebec. This bill is another in a series of measures taken by the Government of Canada in the past 40 years in Quebec and in other provinces to address regional disparities and to ensure that every Canadian has an equal chance to succeed.

If passed, this bill will give the Economic Development Agency of Canada for the Regions of Quebec the same status as the Atlantic Canada Opportunities Agency or Western Economic Diversification Canada.

Canada Economic Development is now a presence throughout Quebec, thanks to a network of 14 offices and a team of professionals well informed on regional development issues.

For the Government of Canada, implementation of an independent agency in Quebec will make it possible to consolidate the actions undertaken and ensure greater freedom to act, something desires, moreover, by virtually all the stakeholders in regional economic development in Quebec. So we have continuity of action as well as historical continuity.

In fact, honourable senators, the role of the federal government in connection with regional economic development was already recognized in the Constitution of 1982. Section 36.1 in particular is particularly clear on the Government of Canada's responsibility to counteract regional disparity. Today, that vital role is again set out clearly in Bill C-9.

This bill, however, will also mark a new day in the policies adopted by the Government of Canada to ensure the economic development of the regions and realization of the full potential of Quebecers. As we all know, today's Canada is very different from the Canada of the 60s. Our country is now among the great economic powers of the world, and its international influence continues to grow, thanks to its presence on international markets and the numerous humanitarian and peacekeeping missions it has been called upon to carry out in recent decades and in which it has acquitted itself admirably.

On the domestic level, Canada enjoys a healthy financial situation that makes us the envy of many other countries. For example, for the fiscal year 2004-05, Canada presented its eighth balanced budget in a row. This is the longest series of successive surpluses since Confederation.

Canada has also made considerable strides in reducing its debt. Since balancing the budget in 1997-98, the Government of Canada has reduced federal debt by more than \$60 billion, lightening the financial burden of generations to come accordingly.

Fully committed in this open global economic context in which competition is between countries as well as between regions and businesses, Canada must ensure that its regional development activities are in tune with the new requirements of globalization and that they give all Canadians, without exception, the means to participate in economic growth and to benefit substantially from it.

This bill aims to do exactly that for Quebec, by giving the Canada Economic Development Agency for the Regions of Quebec the means and flexibility needed to provide the businesses, communities and regions of Quebec with support appropriate to current conditions.

It must be said, honourable senators, that this bill rests on solid ground in order to better contemplate the future with optimism. The agency's interventions produce results of which our fellow citizens can be proud and which, even more importantly, meet their needs and their expectations. Thus, the agency has pledged over a billion dollars in financial support for the implementation of some 2,000 projects which were under way in 2003-04.

If one adds the investments of other backers to those of the agency in those projects, their total value reaches close to \$4 billion across Quebec's regions. This leverage amounts to \$4 for every dollar invested.

The object of the agency as set out in Bill C-9 is clear. It is to promote the long-term economic development of the regions of Quebec by giving special attention to those where slow economic growth is prevalent or where opportunities for productive employment are inadequate. The agency carries out its object by implementing specific measures affecting regions, communities, small- and medium-sized enterprises and the development environment.

Honourable senators, by focussing on the establishment and development of small enterprises, for example, the agency helps keep and create jobs and restructure local economies.

This action is based on the firm belief that our collective success depends on the efforts of entrepreneurs and those who create jobs and wealth. This is why Canada Economic Development helps SMEs to diversify their activities, create quality jobs for our fellow citizens and, in the end, ensure solid growth.

On March 31, for example, the Minister of the Economic Development Agency of Canada announced repayable financial assistance of over \$2.8 million for Média 4 Corporation, a high-tech holding company in Sherbrooke, in the Eastern Townships, operating in the telecommunications sector. This assistance will help the company and its major subsidiaries, Mediatrix Telecom and M5T, develop and market innovative IP telephony products, a technology that uses a single network for computer and phone systems.

The product of know-how developed in the Eastern Townships, this technology bodes well for the future because it creates prosperity and high-tech jobs, not to mention the research and development that will result. The implementation of this initiative should help consolidate this region of Quebec as the capital of telecommunications excellence, in addition to furthering economic diversification.

By supporting an innovative project such as the one by Média 4 Corporation, the Canada Economic Development Agency for the Regions of Quebec is trying to make innovative companies more competitive and increase their ability to sell their cutting-edge research and development products on international markets.

• (1510)

Honourable senators, this is proof that Canada Economic Development is pursuing its goal of helping our companies become more dynamic and innovative, and therefore more competitive in Canada and abroad. It also attests to the importance the agency places on fostering innovation, in all its forms, within our companies.

Speaking of assistance for companies, I want to stress that Bill C-9 recognizes the concept of social economy enterprise within the definition of small and medium-sized business. Not only is this a first, this part of the bill also reflects the ever-expanding role of the social economy in Canada, particularly within communities in Quebec.

There is no longer any doubt today that the social economy makes a significant contribution to the success of our communities. In economic terms, it leads to job creation and wealth. Its also makes a significant social contribution since it helps reinforce community cohesion by fighting the youth drain, in particular, and the marginalization of some members of our society.

In Quebec alone, there are over 7,000 social economy businesses. With annual sales of over \$17 billion, they employ more than 125,000 people. These are first and foremost businesses playing a leading role in terms of regional and rural development, who will benefit from the agency's program to achieve their full potential.

The Canada Economic Development Agency for the Regions of Quebec also supports communities in their efforts to focus on their strengths and take charge of their development. The agency's goal is to promote initiatives that could have a significant impact at the regional level as well as generate a ripple effect on regional economic activity.

It is in this context that the Minister responsible for the Economic Development Agency of Canada for the Regions of Quebec announced on March 17 a \$3-billion investment by the Government of Canada. Of this amount, \$1,250,000 is coming from Canada Economic Development and \$1,762,500 from the Natural Sciences and Engineering Research Council of Canada for the creation of a new industrial research chair in silviculture and fauna at Laval University.

This project is based on an important partnership between the public and private sectors to conduct research on the boreal forest on Quebec's North Shore and to help the forestry industry develop practices that are consistent with sustainable development and the conservation of forestry ecosystems.

The anticipated results of this project will contribute to maintaining the quality of life in communities on the North Shore — and the need is great these days — whose economic base is directly linked to logging and forest management.

This innovative research program will also help boost the competitiveness of the forestry industry and ensure the transfer of knowledge to the communities and businesses on the North Shore.

Honourable senators, that is what I call a promising plan for the future that will generate regional economic development.

Under the terms of Bill C-9, the agency could continue to pay particular attention to the regions that are having problems adjusting to the new global economic context.

In today's global economy where changes follow rapidly on one another in a heatedly competitive atmosphere, regions, like countries, major cities and companies, need to constantly keep adapting if they are to remain competitive and continue to develop.

Some of Quebec's regions are having difficulty adapting, mainly those whose economies are in large part natural resource-based.

These regions face major challenges of economic diversification within a context of distant markets, variable access to major transportation and communication networks, and the difficulty of recruiting qualified workers.

The bill we have before us today does not abandon the regions in difficulty or the vulnerable communities. Far from it, since it confirms the role of the Canada Economic Development Agency for the Regions of Quebec in working with these regions, as well as the necessity of providing them with support tailored to with their requirements.

In its present form, Bill C-9 also reflects the concern of the Government of Canada and of Canada Economic Development to work in complementarity with what the Government of Quebec is doing. I would add that the people of Quebec as a whole share that desire. The challenge is clear: to achieve increasing efficiency and effectiveness of government actions as they relate to regional economic development.

It is precisely to that end that Bill C-9 provides the agency with the tools to design and implement mechanisms to facilitate cooperation with Quebec and its communities. As well, it confers upon the minister the authority to enter into agreements with the Government of Quebec or any agency of that government, or with any other entity or person, including cooperation agreements and agreements related to distinct sectors of Quebec's economy.

It strikes me as important to point out to the members of the Senate that the Canada Economic Development Agency for the Regions of Quebec is already showing a great spirit of complementarity with Quebec government departments.

By way of example, I might mention that the Honourable Minister of the Economic Development Agency of Canada made a non-repayable contribution of \$3 million to the Technocentre éolien Gaspésie-les Îles. This financial support will help create an integrated research and development and technological transfer centre.

The project will help create seven jobs in the Gaspé — Magdalen Islands region. Furthermore, the new centre will be a key factor in the wind energy network in Quebec. Establishing a network of excellence with the aim of developing wind energy know-how will permit this expertise to be transferred to Quebec industry, thus promoting many projects in the wind energy sector.

For its part, the Government of Quebec, through its ministère du Développement économique de l'innovation et de l'exportation, has provided \$200,000 in financial support to the TechnoCentre éclien Gaspésie-les Îles to support its operation. Thanks to this contribution, the organization will be able to begin implementing the new business plan it has just prepared.

The two governments, through their support in separate sectors of TechnoCentre éolien activity, are helping achieve a common goal, to support the efforts of an industrial wind energy network capable of competing with foreign markets in terms of equipment and services in a context of sustainable development.

I want to conclude, honourable senators, with something I consider equally vital. Bill C-9 confirms the crucial importance of good synergy among federal departments in order to ensure the success of the federal government's regional economic development strategy.

Accordingly, the bill grants the minister responsible for Canada Economic Development the powers to exercise and consolidate the leadership of this agency, convene the relevant federal ministers and other stakeholders in development around the same table in order to ensure an integrated approach by the Government of Canada in the regions of Quebec.

In closing, honourable senators, the Canada Economic Development Agency for the Regions of Quebec is an important partner in the growth of companies, communities and regions in Quebec.

Thanks to Bill C-9, this agency will have the tools and flexibility it needs to fulfill its role and meet the current challenges related to regional economic development.

With 14 regional offices and headquarters in Montreal, the agency will have the same autonomy as its sister agencies in the Maritimes and Western Canada. This autonomy will benefit stakeholders throughout Quebec, in the interests of all our constituents.

On motion of Senator LeBreton, for Senator Nolin, debate adjourned.

[English]

#### DEPARTMENT OF HUMAN RESOURCES AND SKILLS DEVELOPMENT BILL

SECOND READING—DEBATE ADJOURNED

Hon. Sharon Carstairs moved second reading of Bill C-23, to establish the Department of Human Resources and Skills Development and to amend and repeal certain related Acts.

She said: Honourable senators, I rise today to share with you an overview of Bill C-23, which is before us today. Passage of this bill will formally establish into law the new Department of Human Resources and Skills Development Canada, or HRSDC.

• (1520)

Moreover, it defines the powers, duties and functions of the minister, as well as those of the Minister of Labour and of the Canada Employment Insurance Commission.

This bill, if enacted, will also set out rules for the protection, use and disclosure of personal information obtained under departmental programs. It will not create any new programs or services. Rather, this legislation is required to formalize and fully implement important machinery of government changes that were announced by the Prime Minister in December 2003.

Key among the changes announced at that time was the reorganization of the Department of Human Resources Development Canada into two new departments: HRSDC and

Social Development Canada, or SDC. It is worth noting that, in the time that has passed since that date, these two new departments have worked diligently to ensure uninterrupted and continued seamless service to Canadians.

This bill is different from the old Department of Human Resources Development Act in three particular areas. It proposes, first, a new mandate tailored to the new department; second, authority for the provision of services to and receipt of services from Social Development Canada; and, third, a new code governing the protection and disclosure of the personal information of Canadians collected under the department's various programs.

I should like to take the next few minutes to share with you, honourable senators, an overview of these changes. To do this, I will review the bill part by part.

Part 1 of the bill explains the powers, duties and functions of the new minister of HRSDC and provides the authority for the appointment of the deputy minister, the associate deputy ministers of the department, as well as the designation of a deputy minister of labour. The new mandate for HRSDC is described in the manner the minister is to exercise her powers and to perform her duties and functions. She will do so with a view to improving the standard of living and quality of life of all Canadians by promoting a highly skilled and mobile workforce and an efficient and inclusive labour market.

A new provision has been added stating explicitly the authority of the minister to establish programs in support of the mandate and authorizing her to make grants and contributions a part of these programs.

This part of the bill also allows for Social Development Canada to provide administrative services and program delivery on behalf of HRSDC and vice versa. For example, SDC will be able to provide call centre services for HRSDC. This arrangement will serve Canadians well. Administrative efficiencies of this approach will mean that citizens can count on having an integrated service delivery network that will provide uninterrupted, high quality services when and where they need them.

Part 2 of Bill C-23 addresses the powers, duties and functions of the Minister of Labour. These powers extend to all matters relating to labour over which Parliament has jurisdiction and which are not assigned to other governmental institutions. They are to be exercised with the objective and renewed mandate of promoting fair, safe, healthy, stable, cooperative and productive workplaces.

As is the case for the Minister of Human Resources and Skills Development, the Minister of Labour is to provide express authority for the establishment of projects or activities in support of his labour mandate. As you will remember, the minister's mandate over housing is contained in the National Housing Act. Similarly, his more specific powers, duties and functions related to labour matters are contained in other statutes, including the Canada Labour Code.

Part 3 of the legislation addresses the Canada Employment Insurance Commission, which would continue with its existing powers, duties and functions. The bill addresses the composition, organization and operations of the commission. Apart from some minor wording changes, the provisions of the bill regarding the commission are a repetition of those contained in the Department of Human Resources Development Act. The powers, duties and functions of the commission as regards employment insurance are contained in the Employment Insurance Act, and have not been impacted by this bill.

Let me turn now to Part 4 of Bill C-23 where important proposals have been made concerning the protection, use and disclosure of personal information collected under the various programs of the department. This part reflects the Government of Canada's commitment to protect the personal information of its citizens. The bill proposes a uniform set of privacy provisions governing the disclosure of personal information that would apply to all programs in the department. This would set it apart from the current framework in which the disclosure of personal information is governed by five different regimes.

The approach proposed under Bill C-23 would ensure a consistent approach with respect to the administration of personal information gathered by the department. In short, it will serve Canadians better, and it will do so in four ways. First, it will provide more consistency in the administration of personal information. Second, it will provide a greater degree of transparency for Canadians. Third, it will codify current administrative practices related to the use of personal information for research purposes. Fourth, through the inclusion of an offence provision for knowingly disclosing personal information in contravention of the code, it will ensure that the information is better protected.

It is worth noting, honourable senators, that the Office of the Privacy Commissioner has been consulted on these proposals and that the commissioner herself has indicated her support for this new code.

These are important improvements. Bill C-23 demonstrates that this government is committed to pursuing ways to deliver programs and services efficiently and to conduct program research effectively, but without compromising the right and expectation of citizens that their personal information and respect for that is paramount.

The bill contains two other parts. Part 5 repeats the provisions of the Department of Human Resources Development Act with respect to the Canada Education Savings Grant program. It also contains provisions that have since been adopted as part of the new Canada Education Savings Act, Bill C-5, which received Royal Assent last December. Part 5 would be repealed when the new Education Savings Act comes into force. Part 6 contains all the standard transitional provisions, consequential and related amendments, coordinating amendments, as well as a provision repealing the Department of Human Resources Development Act. It also provides that this bill, if enacted, will come into force

on the same day as the proposed Department of Social Development Act. That will be Bill C-22, which we have not yet received.

As you can see, honourable senators, Bill C-23, while comprehensive, promises to continue to deliver to Canadians the services they can count on from Human Resources and Skills Development, and Social Development Canada. Human Resources and Skills Development will focus on its core mandate of providing and promoting a highly skilled and mobile workforce and an efficient and inclusive labour market. Social Development Canada will focus on promoting social wellbeing and income security for Canadians. Canadians will benefit from efficient corporate service delivery from both departments. Moreover they can count on their personal information being protected by a code that will be applied uniformly across these departments.

Bill C-23 provides the legislative foundation needed to realize this comprehensive vision and mission for the new Department of Human Resources and Skills Development. With this in mind, I encourage honourable senators to support the bill.

On motion of Senator Stratton, debate adjourned.

#### STATE IMMUNITY ACT CRIMINAL CODE

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. David Tkachuk moved second reading of Bill S-35, to amend the State Immunity Act and the Criminal Code (terrorist activity).—(Honourable Senator Tkachuk)

He said: Honourable senators, on May 18, I introduced Bill S-35, which seeks to add one more tool to the fight against international terrorists. This bill makes important amendments to the State Immunity Act. In doing so, it presents an important source of justice for all Canadians but, most important, a tool for those who have been directly affected by terrorist acts.

Honourable senators, families who lost loved ones on September 11, 25 of which were Canadian, would, under this act, be allowed to pursue the attackers civilly. In June 1985, 331 people died following the crash of Air India flight 182, of which 154 were Canadian, and their families too would be able to seek civil redress.

Many Canadians believe that terrorism is something that happens elsewhere, something that happens to someone else, and they believe that Canada is insulated from terrorism. They are wrong. Let them ask Maureen and Erica Basnicki, wife and daughter of Ken Basnicki of Toronto, who was among those killed in the attacks on the World Trade Center. Let them ask Ron Goldberg, whose brother was killed by a Palestinian suicide bomber last year in Israel. Their lives and the lives of many more Canadian victims have been torn apart by planned acts of extreme violence perpetrated against civilians.

• (1530)

However, because Canadian victims are relatively few in number and because these heinous acts are relatively infrequent in Canada, most Canadians disassociate this country from terrorism. They do not keep in mind that, besides the violent act itself, terrorism has many aspects. It requires planning, funding, staging and people. These aspects are easily lost in the blood and horror of the terrorist act, but they are as much a part of terrorism as the death and mayhem that the act causes. We often fail to recognize this. As Stewart Bell, a Canadian expert on terrorism, has written:

Canada has not responded forcefully to the terrorist challenge probably because most of the terrorist activity that takes place inside Canada is supporting violence in other places. Canadians don't see the bloody results of the fundraising and the rest that takes place in Canada.

In this regard, it is worth remembering that in its 2004 annual report, FINTRAC found over \$70 million in transactions that were thought to be linked to terrorist activity. According to Canada's intelligence services, with the singular exception of the United States, there are more terrorist organizations active in Canada than in any other country in the world. It is worth recalling that Ahmed Ressam moved to Canada in 1994. Years before that, he was caught trying to sneak across the border to the United States, fully intent on and equipped to launch a terrorist attack there.

Canada is not immune to terrorism or the groups that perpetrate acts of terror. That is why it is important that we use any and every means available to combat this scourge.

Traditionally, states granted foreign states absolute immunity from civil suits brought before their courts. However, with the increase in transnational commercial activity and all the opportunities for crime that it entails, the Canadian government has moved to limit blanket immunity. It amended the State Immunity Act to restrictively permit civil suits in respect of the commercial activities of foreign states. This amendment permitted citizens of Canada to bring a suit against a foreign state for breach of contract and other breaches of commercial activity, thereby decreasing a foreign state's immunity. Today, we must review again the injustice that occurs when we grant a foreign state complete immunity when that state acts as a sponsor of terrorist activity.

Canada, the United States and other Western allies are combatants in the fight against international terrorism; and have all become greater potential targets. Certainly, the government has taken important measures, such as the Smart Border Agreement with the U.S, the establishment of FINTRAC, and the proclamation of the Anti-terrorism Act. Bill S-35 is another weapon in our arsenal. The aim in amending the State Immunity Act is to protect Canadians both at home and abroad who may fall victim to terror.

Its premise is that many terrorist groups are linked to foreign state sponsors. These states utilize their vast sovereign powers and resources to finance and sponsor acts of terrorism, such as hijackings, kidnappings, bombings, extrajudicial killing, or military attacks directed at innocent citizens. In addition, these states harbour terrorist groups and permit them to openly recruit and train new terrorists. Under the State Immunity Act, Canadian victims of terror and their families have little or no recourse against these state sponsors of terrorism. By amending the State Immunity Act, we are giving the victims and their families an opportunity to fight back. We are giving them an opportunity to obtain some measure of justice and closure for lives that were ripped apart through hatred.

Bill S-35 allows civilians to seek financial liability judgments against foreign states for sponsoring terrorists. In addition, this amendment will act as a deterrent to state-sponsored terrorists by instilling in them the need to balance the benefits of sponsorship against the fear of large monetary liability judgments.

Honourable senators, foreign states escape civil liability for their sponsorship of terrorism but are liable for redress for a breach of a commercial contract. On June 30, 2004, the Ontario Court of Appeal ruled in the case of *Bouzari v. Islamic Republic of Iran*. It noted that the court must agree with the lower court's ruling, which stated that, because of the blanket immunity given to foreign states through the State Immunity Act, a civil action brought for terrorist activity is barred. It further ruled that the limited exceptions in the State Immunity Act, public international law and the Canadian Charter of Rights and Freedoms could not relieve against this conclusion.

The State Immunity Act needs to be amended to reflect the dangers and violent troubles of the world in which we now live. When the Canadian government became aware of the damages that Canadians faced through the breach of commercial contracts, it took action to redress the matter. We must do the same in respect of terrorism today.

Bill S-35 has two main objectives that are intended to bring about redress. First, the amendment would prevent foreign states that engage in terrorist activity from claiming immunity from the jurisdiction of Canadian courts. This is an important principle because it permits Canadian courts to obtain both subject matter and personal jurisdiction over foreign states that sponsor terrorist activity. Therefore, foreign states would be made accountable for their actions and would not be able to shield themselves from liability in civil suits through the cloak of the State Immunity Act.

By making a foreign state accountable and financially liable for its actions taken in support of terrorism, the passage of this amendment will give pause to the traditional state sponsors of terrorism. One of the main goals of our society is to decrease the amount of terrorism that occurs, and this amendment intensifies Canada's goal of protecting Canadians at home and abroad.

Honourable senators, Bill S-35 would amend the Criminal Code to provide victims who have suffered loss or damage as a result of terrorist activity with a civil remedy against the person who engaged in the terrorist activity. Terrorists prey on civilian targets and kill without shame or mercy in an effort to crumble the foundation of a society and destroy its way of life. Over the last 30 years, hundreds of Canadian citizens have been murdered

by terrorist attacks on buses, airplanes and in night clubs. Foreign states that sponsor terrorism are not held accountable to the families affected by terrorism and are free from liability. Bill S-35 will change that and empower the victims and their families.

Honourable senators, we are fighting an unconventional war against civilians, who are the focus and preferred target of terrorists. We must do everything in our power to prevent this activity from occurring. There is an external belief that, when the citizens of a nation are subject to archaic laws, those of us who have the power to effect change have a duty and responsibility to do so.

I ask honourable senators for their support of Bill S-35 to help our fellow Canadians find the justice and closure that they deserve, and to strike a blow against worldwide terrorism.

On motion of Senator Meighen, debate adjourned.

• (1540)

#### RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

MOTION TO ALLOW REINTRODUCTION
OF BILLS FROM ONE PARLIAMENTARY SESSION
TO THE NEXT—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Hervieux-Payette, P.C., seconded by the Honourable Senator Smith, P.C.:

That the Standing Committee on Rules, Procedures and the Rights of Parliament study and make the necessary recommendations on the advisability of amending Senate practice so that bills tabled during a parliamentary session can be reintroduced at the same procedural stage in the following parliamentary session, with a view to including in the Rules of the Senate, a procedure that already exists in the House of Commons and would increase the efficiency of our parliamentary process.—(Honourable Senator Oliver)

Hon. Donald H. Oliver: I rise today to speak to Senator Hervieux-Payette's motion of April 14, 2005. At the outset, honourable senators, I wish to congratulate and thank the honourable senator for her very clear and precise speech of April 19, in which she outlined the content and reasons why honourable senators should consider the motion to which I wish to speak briefly this afternoon.

Honourable senators, the procedure of reintroducing private members' bills tabled during previous parliamentary sessions at the same procedural stage in the following parliamentary session is a practice that already exists in the other place. According to the House of Commons standing order 86.1 — and I quote:

At the beginning of the second or a subsequent Session of a Parliament, all items of Private Members' Business originating in the House of Commons that have been listed on the Order Paper during the previous Session shall be deemed to have been considered and approved at all stages completed at the time of prorogation and shall stand, if necessary, on the Order Paper or, as the case may be, referred to committee and the List for the Consideration of Private Members' Business and the order of precedence...shall continue from session to session.

Standing order 86.1 establishes the precedent in the other place for private members to reinstate legislation introduced in a previous session of Parliament. It is a well-established practice for the government to introduce a reinstate motion in a new session of Parliament to reinstate bills from the previous parliamentary session.

The most recent motion to that effect was raised in the other place on February 6, 2004, when the Honourable Jacques Saada, then the Leader of the Government in the House of Commons, put forward a motion that — and I quote:

...during the first thirty sitting days of the present session of Parliament, whenever a Minister of the Crown, when proposing a motion for first reading of a public bill, states that the said bill is in the same form as a Government bill in the previous session, if the Speaker is satisfied that the said bill is in the same form as the House of Commons had agreed to at prorogation...the said bill shall be deemed in the current session to have been considered and approved at all stages completed at the time of prorogation of the previous session.

Simply put, in the other place, it is the decision of the government to determine whether government bills are to be reinstated by introducing a reinstatement motion, and it is the decision of the government and the minister to determine if and when a bill should be reinstated.

Senator Hervieux-Payette has stated that, if the government or a private member in the Senate considers legislation to be of critical importance, the honourable senator to which the bill is referred need only to reinstate the bill in question in the Senate during the next parliamentary session.

It is true that reinstating government bills and private members' bills at the same procedural stage in which they were introduced in the previous parliamentary session could enhance this chamber's efficiency. When Senator Hervieux-Payette spoke to her motion on April 19, she identified 32 individual bills that have reappeared in the Senate several times. Of the 32 bills Senator Hervieux-Payette identified, two pieces of proposed legislation—in particular, Senator Forrestall's private members' bill, to protect heritage lighthouses, and Senator Spivak's private members' bill, concerning personal watercraft in navigable waters—have been reintroduced in each of the last five parliamentary sessions, dating back to 1999.

Several bills have been tabled in each of the last three sessions of Parliament, namely, Senator Lapointe's bill, to amend the Criminal Code lottery schemes, and Senator Kinsella's, our Leader of the Opposition in the Senate, bill, S-2, to amend the Citizenship Act, which I was delighted to see receive Royal Assent on May 5, 2005.

Two of my private members' bills — to prevent unsolicited messages on the Internet; and to amend the Constitution Act, 1867 and the Parliament of Canada Act (Speakership of the Senate) — had been reintroduced in the last three parliamentary sessions, while my private members' bill to amend the Criminal Code respecting criminal harassment and other related matters was introduced in two parliamentary sessions.

On March 18, 2003, in the second session of the 37th Parliament, my private members' bill to elect the Speaker of the Senate by secret ballot received first reading. On March 20, 2003, it was debated during second reading. On November 12, 2003, that bill died on the Order Paper when the second session of the 37th Parliament ended.

It was subsequently reintroduced on February 3, 2004, during the third session of the 37th Parliament. The bill was debated at second reading on March 9 and March 11, and was referred to the Standing Senate Committee on Legal and Constitutional Affairs, where the bill died when the 37th Parliament ended in May 2004.

On October 19, 2004, during the first session of the 38th Parliament, I again reintroduced my bill to elect the Speaker of the Senate. On November 17, 2004, Bill S-13 was referred to the Standing Senate Committee on Legal and Constitutional Affairs for further study. There it has stayed, honourable senators, for 172 days — I repeat, 172 days. So far, no witness has been called.

Another one of my private members' bills, to amend the Criminal Code respecting criminal harassment and other related matters, received first reading in the Senate on two occasions, during the first session of the 36th Parliament on May 12, 1998, and during the second session of the 36th Parliament on November 2, 1999.

My private members' bill, known as S-17 in the first session of the 36th Parliament and Bill S-6 in the second session of the 36th Parliament, rectified a serious problem in Canada with respect to our existing laws on criminal harassment relating to stalking.

#### • (1550)

Specifically, the bill sought to increase the penalties provided for the offence of harassment and related offences by addressing criminal harassment, which was then defined in section 264 of the Criminal Code of Canada as:

...repeatedly following or communicating with another person; repeatedly watching another person's house or workplace; or directly threatening another person or any member of their family, causing a person to fear for their safety or the safety of someone known to them.

The bill increased the maximum penalty for criminal harassment on summary conviction from six months imprisonment or a fine of \$2,000, or both, to a term of 18 months imprisonment with no fine option.

Honourable senators, after considerable work on my part to raise awareness of the need for legislation to increase penalties for stalking and other related violent crimes in Canada, the provisions of my proposed bill were eventually incorporated into a government omnibus bill introduced on March 14, 2001, in

the first session of the 37th Parliament by the Honourable Anne McLellan, then Minister of Justice.

The legislation she introduced in the other place, Bill C-15, known as the Criminal Law Amendment Act, 2001, raised the maximum penalty for criminal harassment, that is, stalking, from five to 10 years imprisonment, referring to actions including, "repeatedly following, watching or communicating with someone in a manner which reasonably causes that person to fear for their own safety or the safety of someone known to them."

The provisions of my private members' bill were incorporated directly into Bill C-15, which was subsequently split into two different bills, namely, Bill C-15A and Bill C-15B, by the House of Commons Committee on Justice and Human Rights. On June 4, 2002, the bill to which my anti-stalking provisions were incorporated, Bill C-15A, received Royal Assent and became law.

Based on my experiences with the three private member's bills that I have just described, I know that, as public policy-makers and legislators, senators go to great lengths to consult Canadians, conduct studies and engage experts with the ultimate aim of enacting legislation that, in their view, is in the public interest of Canadians.

Senator Hervieux-Payette has suggested that continually reintroducing the same legislation in perpetuity may not be in the best interests of our institution. She stated that allowing bills tabled during previous sessions of Parliament to be reintroduced at the same procedural stage has the potential not only of improving the efficiency of the Senate but also of improving the value of our role as legislators and the voices of sober second thought within Canada's parliamentary system.

Honourable senators, there remains a critical issue that causes me concern; it is the role played by the majority in the Senate. If a motion were adopted to amend the Senate rules and practice so that bills tabled during a parliamentary session could be reintroduced at the same procedural stage in the following parliamentary session, my personal experience would prompt me to be concerned that only bills introduced by Liberal senators would proceed.

For example, my private members' bill, Bill S-15, to prevent unsolicited messages on the Internet, was read for the first time on September 17, 2003, reintroduced for first reading on February 3, 2004 and October 24, 2004, during the third session of the 37th Parliament, and on February 11, 2005, in the first session of the 38th Parliament. The subject matter of Bill S-15 was referred to the Standing Senate Committee on Transport and Communications on February 10, 2005. Since then, the bill has languished in committee for 118 days. To date, it has not been studied and not one witness has been called.

This, in spite of the fact, honourable senators, that the subject matter of this bill is extremely important to Canadians. Bill S-15 has received critical praise from experts in the information technology sector, namely, Professor Michael Geist, a law professor at the University of Ottawa and the Canadian Research Chair in Internet and E-commerce Law; Philippa Lawson, Director of the Canadian Internet Policy and Public Interest Clinic; Richard Simpson, Director General of Industry Canada's Electronic Commerce Branch; and Mr. Michael Eisen, Vice-President of Law and Corporate Affairs with Microsoft Canada, and many others.

In the December 12, 2004, edition of *The Hill Times*, in an op-ed piece entitled, "Parliament needs to pass Anti-SPAM legislation," Eisen said:

...the absence of comprehensive anti-SPAM legislation in Canada remains a key impediment to eradicating SPAM in this country.

In a broader paper entitled "Integration Innovation," Microsoft Canada concluded the following:

The components of a comprehensive anti-SPAM strategy...can only be brought together with the help of effective legislation. Without strong criminal and civil remedies for activities like the harvesting of email lists or distributing fraudulent emails, enforcement opportunities are very limited.

The article ended as follows:

Microsoft wishes to work with the governments of Canada to put in place effective legislation that will thwart the efforts of those who abuse email and preserve the viability of the medium.

Michael Geist put it this way in *Maclean's* magazine on January 28: "If the private sector cannot..." eradicate SPAM "on its own, then government has to get involved. And we must move there quickly."

Honourable senators, in 2004, the Minister of Industry commissioned a task force to study and review the legislation and regulatory gaps in Canada's legislative framework with respect to Canada's information and technological sector and to consider further legislative action. I met with the task force on many occasions. On May 17, Industry Canada's Task Force on SPAM released its final report. The 10-member task force made 22 recommendations, the most important of which was to call for a new spam-specific law that would make it a criminal offence to fail to abide by an opt-in regime for sending unsolicited commercial email. There is a spam-specific bill languishing in committee that could, with minor amendments, meet this pressing Canadian need.

My private members' bills also proposed that the federal government create a no-spam list. Person's sending spam would first have to check to see if the user of the address is part of the government's opt-in regime. One of the task force members, the Director General of Industry Canada's Electronic Commerce Branch, Richard Simpson, told the Halifax Chronicle-Herald:

Senator Oliver deserves credit for keeping this issue within everyone's line of sight. I'm looking forward to seeing what we might do in terms of putting the two efforts together. I'm hoping Canada's anti-spam legislation could be ready this year.

Philippa Lawson, Director of the Canada Internet Policy and Public Interest Clinic, said the following about my Bill S-15 and the anti-spam task force recommendations: Senator Oliver's anti-spam bill has played a critical role in getting this important issue on the government's agenda, and in making sure that it stays on the agenda. The recent Task Force report's recommendation for new anti-spam legislation was influenced in no small way by this Bill. Even if Bill S-15 does not itself become law, its existence is spurring the government to take long-awaited measures against this serious threat to the Internet.

The Hon. the Speaker pro tempore: I regret to interrupt the Honourable Senator Oliver, but his time has expired.

Senator Oliver: Could I have leave to continue for one more minute?

Hon. Senators: Agreed.

Senator Oliver: In short, honourable senators, Bill S-15 is good proposed legislation. It has received support from senators on both sides of this chamber. Why, then, has it languished in committee since February 10? I would hope that the intent of the motion we are debating is to increase the efficiency and efficacy of the Senate and not to serve as a mechanism for legislation introduced by Liberal senators to essentially be fast-tracked through the Senate by the overwhelming majority.

For this reason, honourable senators, I would ask that caution be exercised in further proceedings with respect to this bill.

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have a comment and then a question with regard to the passage of bills of the majority and bills of the minority. I remind Senator Oliver that we passed Senator Forrestall's bill on lighthouses through all stages. We have also sent Senator Forrestall's bill on a cancer policy to committee.

• (1600)

The Standing Senate Committee on Aboriginal Peoples is presently studying Senator St. Germain's bill on Aboriginal policy that was passed at second reading, I believe.

I take the point the honourable senator is making, though, that ways and means need to be found to accommodate private members' bills. I certainly would like to see more of them studied and acted upon.

I did have a question for Senator Oliver. He mentioned that a number of his bills were incorporated in government legislation. Has he done any research on bills, other than his own, that have been incorporated in government legislation and whether they came from the majority the side or from the minority side? In his speech, Senator Oliver said that other people had given him credit — that is, people working for the government if not part of the government itself — for bringing the spam issue to public attention. I realize that, alone, giving a senator credit for influencing government legislation is not sufficient. However, has the honourable senator done any research to show that bills other than his own have been incorporated into government legislation?

Senator Oliver: No, I have not done that research. I researched only my personal experience with three private members' bills. In the case of the stalking bill, it did go to committee and we heard from 39 witnesses. In addition, there was widespread support for the bill from across Canada. One day, then-Minister of Justice Anne McLellan sent a delegation from her department to discuss the contents of my bill. They indicated that the minister liked the contents and recognized that the issue was of pressing national importance. It was a public policy issue that had to be addressed. For that reason, they wanted to know if I would object to it being incorporated in an omnibus criminal bill. I consented, and it is now the law of the land.

The bigger problem, as I see it, is spam. Spam, as most honourable senators know, is costing Canada in excess of \$2 billion a year for filters, for hiring extra help and for lost productivity. In addition, spam is doing irreparable damage to young children and others whose websites and email addresses are being infiltrated with fraudulent, pornographic and other materials. It is time for action. If this initiative had been sponsored by a senator from the government side, I am reasonably certain it would have been proceeded with because it is a valid bill. That is my main concern.

On motion of Senator Rompkey, debate adjourned.

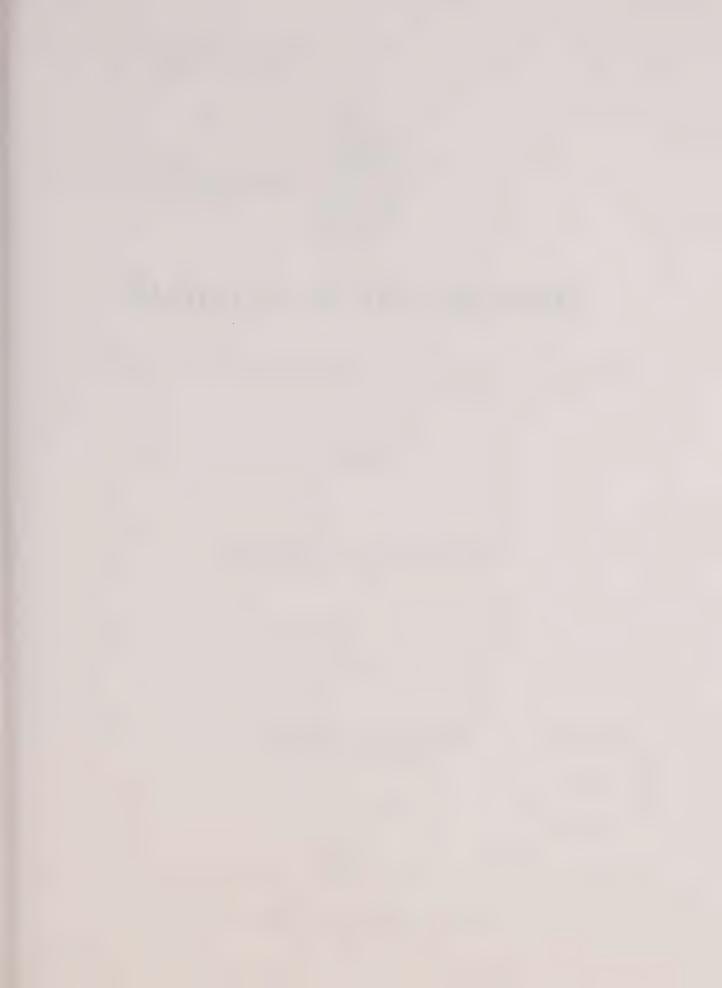
The Senate adjourned until Wednesday, June 8, 2005, at 1:30 p.m.

#### **CONTENTS**

#### Tuesday, June 7, 2005

The Senate   The	PAGE	PAGE
1400 Jack Austin	SENATORS' STATEMENTS	Federal Crown Corporations and Agencies Representation of Visible Minorities on Roards
Hor. Michael A. Meghen.  1397 Hor. Senate The Speaker Parliamentary Delegations Abroad— The Speaker Parliamentary Delegations Abroad The Speaker Parliane The Mon. Delegation of Union Delegation of Union.  1400. Donald H. Oliver. 1400. Donald H. Oliver Parlianes Indoor Deleated Parlianes Indoor Deleate Adjourned.  1400. Deleated Parlianes Indoor Deleate Adjourned. 1401. Deleated Parlianes Indoor Deleate Adjourned. 1402. Deleated Parlianes Indoor Deleate Adjourned. 1403. Deleated Parlianes Indoor Deleate Adjourned. 1404. Deleated Parlianes Indoor D	Hon. Joseph A. Day	Hon. Jonald H. Oliver. 1400 Hon. Jack Austin 1400
Hon. Donald H. Gliver.   1400 Hon. Donald H. Gliver.   1400 Hon. Donald H. Gliver.   1400 Hon. Donald H. Gliver.   1401 Hon. Donald H. Gliver.   1401 Hon. Donald H. Gliver.   1401 Hon. Lack Austin.   1402 Hon. Lack Austin	Hon. Michael A. Meighen	The Speaker—Parliamentary Delegations Abroad— Representation of Visible Minorities
Hon. Donald H. Oliver.   1401 Hon. Marierel Frud thormme.   1401 Hon. Jack Austin.   1401 Hon. Tommy Banks.   1398 Hon. Tommy Banks.   1398 Hon. Tommy Banks.   1398 Hon. David Trachuk   1401 Hon. Jack Austin.   1402 Abrador Inuit Land Claims Agreement   1402 Abrador Inuit Land Claims Agreement   1402 Abrador Inuit Tax Treatment Agreement   1402 Hon. Bill Rompkey   1399 National Defence   1399 National Defence act   1402 Hon. Bill Rompkey   1399 Hon. David Hachur   1402 Hon. David Hachur   1402 Hon. Jack Austin   1403 Hon. J	Hon. Terry M. Mercer	Hon. Donald H. Oliver
Finance Hon. Tommy Banks. 1398 Hon. Tommy Banks. 1398 Hon. Tommy Banks. 1398 Hon. Tommy Banks. 1398 Hon. David Tachuk 1401 Hon. Marjory LeBreton 1402 Access to Information Act—Legislation to Amend. 1402 Hon. Marjory LeBreton 1402 Access to Information Act—Legislation to Amend. 1402 Access to Information Act—Hon. Marjory LeBreton 1402 Access to Information Act—Legislation to Amend. 1402 Access to Information Act—Hon. Marjory LeBreton 1402 Access to Information Act—Hon. Marj		Hon. Marcel Prud'homme.
ROUTINE PROCEEDINGS  ### ROUTINE PROCEEDING  ### ROUTINE PRO		Finance
Advanced From Region Commissioner    Mariory LeBreton   1402		Hon, David Tkachuk
product of Annual Report Tabled	ROUTINE PROCEEDINGS	Justice
Hon. Jack Austin.   1402		Access to Information Act—Legislation to Amend.
Labrador Inuit Tax Treament Agreement Labrador Inuit I	Information Commissioner 2004-05 Annual Report Tabled	Hon. Jack Austin
Vational Defence Vation	Labrador Inuit Tax Treatment Agreement	Hon. Marjory LeBreton
of Banned Chemical Malachite Green.  of Bunned Chemical Malachite Green.  of Busned Chemical Malachite Green.  of the Senate.  of the Senate.  of the Senate.  of the No. Jack Austin.  of the Senate.  of Populachite to Senate  of Bunned Chemical Malachite Green.  of the Senate.  of the Senate.  of the Senate.  of the Senate.  of the No. Jack Austin.  of the No. Jack Austin.  of the Senate.  of the No. Jack Austin.  of t		Canadian Food Inspection Agency
Committee Report—Government Response Tabled.  100. Bill Rompkey.  1399  National Defence Act Criminal Code  Ev Offender Information Registration Act Triminal Records Act (Bill S-39)  Bill to Amend—First Reading.  100. Bill Rompkey.  1399  National Security and Defence Notice of Motion to Authorize Committee to Meet During Stiting of the Senate.  100. Pierre Claude Nolin.  100. Pierre Claude Nolin.  101. Pierre Claude Nolin.  101. Pierre Claude Nolin.  101. Pierre Claude Nolin.  101. Pierre Claude Nolin.  102. Pierre Claude Nolin.  1039  1040  1050  1060  107  108  108  109  109  109  1000  109  1000		of Banned Chemical Malachite Green.
National Defence Act Criminal Code Ex Offender Information Registration Act Criminal Records Act (Bill S-39) Idea of Motion to Authorize Committee to Meet During Sitting of the Senate. Idea of Motion to Authorize Committee to Meet During Sitting of Motion to Authorize Committee to Meet During Adjournment of the Senate. Idea of Motion to Authorize Committee to Meet During Sitting of Motion to Authorize Committee to Meet During Adjournment of the Senate. Idea of Motion to Authorize Committee to Meet During Sitting of Motion to Authorize Committee to Meet During Adjournment of the Senate. Idea of Motion to Authorize Committee to Meet During Second Reading. Idea of Motion to Authorize Committee to Extend Date of Final Report on Study of Veterans Services and Benefits Commemorative Activities and Charter. Ion. Michael A. Meighen. Idea of Inquiry. Id	Committee Report—Government Response Tabled.	Hon. Gerry St. Germain       1402         Hon. Jack Austin       1402
Hon. Anne C. Cools. 1403  Highway 30 Completion Bridges Bill (Bill S-31)  Second Reading. Hon. Pierre Claude Nolin 1405  Economic Development Agency of Canada for the Regions of Quebec Bill (Bill C-9)  Second Reading—Debate Adjourned. 1405  Hon. Department of Human Resources and Skills Development Bill (Bill C-23)  Second Reading—Debate Adjourned. 1408  Hon. Pierre Claude Nolin 1405  Hon. Pierre Claude Nolin 1405  Hon. Pierre Claude Nolin 1405  Economic Development Agency of Canada for the Regions of Quebec Bill (Bill C-9)  Second Reading—Debate Adjourned. 1405  Hon. Pierre Claude Nolin 1405  Hon. Pie	National Defence Act	Hon. Noël A. Kinsella
National Security and Defence Notice of Motion to Authorize Committee to Meet During Sitting of the Senate. Notice of Motion to Authorize Committee to Meet During Notice of Motion to Authorize Committee to Meet During Adjournment of the Senate. Notice of Motion to Authorize Committee to Meet During Adjournment of the Senate. Notice of Motion to Authorize Committee to Extend Date of Final Report on Study of Veterans' Services and Benefits Commemorative Activities and Charter. Not. Michael A. Meighen. Notice of Inquiry. Not. Gerard A. Phalen. Notice of Inquiry. Not. Gerard A. Phalen. Notion Gerard A. Phalen. Notion Gerard A. Phalen. Notion Gerard A. Phalen. Notion Of Perlion  Notice of Motion to Authorize Committee to Extend Date of Final Report on Study of Veterans' Services and Benefits Second Reading. Hon. Pierre Claude Nolin. Notice of Motion to Authorize Committee to Extend Date of He Regions of Quebec Bill (Bill C-9) Second Reading—Debate Adjourned. Hon. Céline Hervieux-Payette Notion of Human Resources and Skills Development Bill (Bill C-23) Second Reading—Debate Adjourned. Hon. Sharon Carstairs Notion to Allow Reintroduction of Bills from One Parliament Motion to Allow Reintroduction of Bills from One Parliamentary Session to the Next—Debate Continued. Hon. Donald H. Oliver. Notice of Motion to Authorize Committee to Meet During Referred to Committee Notion to Allow Reintroduction of Bills from One Parliamentary Session to the Next—Debate Continued. Hon. Donald H. Oliver. Notice of Motion to Allow Reintroduction of Bills from One Parliamentary Session to the Next—Debate Continued. Hon. Donald H. Oliver. Notice of Motion to Allow Reintroduction of Bills from One Parliamentary Session to the Next—Debate Continued. Hon. Donald H. Oliver. Notice of Motion to Allow Reintroduction of Bills from One Parliamentary Session to the Next—Debate Continued. Hon. Donald H. Oliver. Notice of Motion to Allow Reintroduction of Bills from One Parliament Motion to Allow Reintroduction of Bills from One Parliament Motion to A	Sex Offender Information Registration Act Criminal Records Act (Bill S-39) Bill to Amend—First Reading.	Hon. Anne C. Cools. 1403
Notice of Motion to Authorize Committee to Meet During Sitting of the Senate.  Notice of Motion to Authorize Committee to Meet During Adjournment of the Senate.  Notice of Motion to Authorize Committee to Meet During Adjournment of the Senate.  Notice of Motion to Authorize Committee to Extend Date of Final Report on Study of Veterans' Services and Benefits Commemorative Activities and Charter.  Notice of Motion to Authorize Committee to Extend Date of Final Report on Study of Veterans' Services and Benefits Commemorative Activities and Charter.  Notice of Motion to Authorize Committee to Extend Date of Final Report on Study of Veterans' Services and Benefits Commemorative Activities and Charter.  Notice of Motion to Authorize Committee to Meet During Referred to Committee  Economic Development Agency of Canada for the Regions of Quebec Bill (Bill C-9) Second Reading—Debate Adjourned.  Hon. Céline Hervieux-Payette  Department of Human Resources and Skills Development Bill (Bill C-23) Second Reading—Debate Adjourned.  Hon. Sharon Carstairs  State Immunity Act Criminal Code (Bill S-35) Bill to Amend—Second Reading—Debate Adjourned.  Hon. David Tkachuk  1409  Rules, Procedures and the Rights of Parliament Motion to Allow Reintroduction of Bills from One Parliamentary Session to the Next—Debate Continued. Hon. Donald H. Oliver.  1411		ORDERS OF THE DAY
Jon. Pierre Claude Nolin	Notice of Motion to Authorize Committee to Meet During Sitting of the Senate.	Highway 30 Completion Bridges Bill (Bill S-31)
In Pierre Claude Nolin 1399 Notice of Motion to Authorize Committee to Extend Date of Final Report on Study of Veterans' Services and Benefits Commemorative Activities and Charter. 1399 In Michael A. Meighen. 1399  In Michael A. Meighen. 1399  In Michael A. Meighen. 1399  In Michael A. Meighen. 1399  In Michael A. Meighen. 1399  In Michael A. Meighen. 1399  In Michael A. Meighen. 1399  In Michael A. Meighen. 1399  In Michael A. Meighen. 1399  In Michael A. Meighen. 1399  In Michael A. Meighen. 1399  In Michael A. Meighen. 1399  In Michael A. Meighen. 1399  In Michael A. Meighen. 1399  In Michael A. Meighen. 1399  In Michael A. Meighen. 1399  In Michael A. Meighen. 1405  In M	Notice of Motion to Authorize Committee to Meet During	Second Reading. Hon. Pierre Claude Nolin
the Regions of Quebec Bill (Bill C-9) Second Reading—Debate Adjourned. Hon. Céline Hervieux-Payette  Department of Human Resources and Skills Development Bill (Bill C-23) Second Reading—Debate Adjourned. Hon. Céline Hervieux-Payette  Department of Human Resources and Skills Development Bill (Bill C-23) Second Reading—Debate Adjourned. Hon. Sharon Carstairs  DUESTION PERIOD  State Immunity Act Criminal Code (Bill S-35) Bill to Amend—Second Reading—Debate Adjourned. Hon. David Tkachuk  Rules, Procedures and the Rights of Parliament Motion to Allow Reintroduction of Bills from One Parliamentary Session to the Next—Debate Continued. Hon. Donald H. Oliver.  1411	Ion. Pierre Claude Nolin	
Department of Human Resources and Skills Development Bill (Bill C-23) Second Reading—Debate Adjourned. Hon. Sharon Carstairs 1408  State Immunity Act Criminal Code (Bill S-35) Bill to Amend—Second Reading—Debate Adjourned. Hon. David Tkachuk 1409  Rules, Procedures and the Rights of Parliament Motion to Allow Reintroduction of Bills from One Parliamentary Session to the Next—Debate Continued. Hon. Donald H. Oliver 1411	of Final Report on Study of Veterans' Services and Benefits  Commemorative Activities and Charter.	the Regions of Quebec Bill (Bill C-9) Second Reading—Debate Adjourned
Comparison of the comparison	Ion. Michael A. Meighen	
State Immunity Act   Criminal Code (Bill S-35)   Bill to Amend—Second Reading—Debate Adjourned.   Hon. David Tkachuk   1409	lotice of Inquiry.	(Bill C-23)
Criminal Code (Bill S-35) Bill to Amend—Second Reading—Debate Adjourned. Hon. David Tkachuk	fon. Gerard A. Phalen	Hon. Sharon Carstairs
he Environment erra Club Thirteenth Annual Report Card on Kyoto Protocol. on. Terry Stratton	WEGGE	Criminal Code (Bill S-35)
erra Club Thirteenth Annual Report Card on Kyoto Protocol. on. Terry Stratton	PUESTION PERIOD	Hon. David Tkachuk
on. Jack Austin	erra Club Thirteenth Annual Report Card on Kyoto Protocol.	Motion to Allow Reintroduction of Bills from One Parliamentary Session to the Next—Debate Continued.
	on. Jack Austin	Hon. Donald H. Oliver







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**CANADA** 

# Debates of the Senate

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Wednesday, June 8, 2005

THE HONOURABLE SHIRLEY MAHEU SPEAKER PRO TEMPORE

# **CONTENTS**

(Daily index of proceedings appears at back of this issue).

Debates and Publications: Chambers Building, Room 943, Tel. 996-0193

# THE SENATE

Wednesday, June 8, 2005

The Senate met at 1:30 p.m., the Hon. the Speaker pro tempore in the chair.

Prayers.

# SENATORS' STATEMENTS

#### THE AGA KHAN

CONGRATULATIONS ON BEING AWARDED THE COMPANION OF THE ORDER OF CANADA

Hon. Mobina S.B. Jaffer: Honourable senators, this week Canada has hosted His Highness Prince Karim Aga Khan, the forty-ninth hereditary Imam of the Shia Imami Ismaili Muslims.

His Highness the Aga Khan is well known to many in Canada as a champion of international development through the Aga Khan Development Network, which he launched in 1967. His work is well known, not only by his followers but also by many Canadians involved in the work to promote peace in the world and eliminate poverty and suffering.

To those of us in the Ismaili community, he is known as Hazar Imam — the present Imam — and has guided us as our spiritual leader through his example of peace, understanding and compassion since he succeeded his grandfather, Sultan Mohammed Shah in 1957 at the age of 20. The Aga Khan is a direct descendant of the Prophet Muhammad, may peace be upon him, through his daughter Fatima, and her husband Ali, the first Shia Imam.

On Monday, June 6, I had the honour to attend a private ceremony at Rideau Hall where Her Excellency the Right Honourable Adrienne Clarkson, Governor General of Canada, presented His Highness the Aga Khan with the insignia of Companion of the Order of Canada.

As honourable senators know, the Order of Canada is our country's highest non-military honour. It is a great honour for any Canadian to be named as a companion, the order's highest designation. It is awarded to those demonstrating the highest commitment to Canada and humanity.

For a non-Canadian to be awarded the honorary appointment of Companion of the Order of Canada is an extremely rare tribute. His Highness the Aga Khan joins with only four others who were not citizens at the time of their investiture: Her Majesty Queen Elizabeth, the Queen Mother; the former President of the Czech Republic, Vàclav Havel; former United Nations Secretary-General, Boutros Boutros-Ghali; and, former South African President and honorary Canadian citizen, Nelson Mandela.

Her Excellency the Governor General noted that His Highness personifies cherished Canadian values, when she said the following:

His Highness the Aga Khan has devoted his life to protecting the environment and alleviating human suffering due to poverty.

Honourable senators, I am making this statement today as a very proud Canadian. This week, my spiritual leader has become an honorary Canadian, and I know that all my honourable colleagues will join me in welcoming him and recognizing his contribution to Canada and the world.

### THE GLOBAL CENTRE FOR PLURALISM

Hon. Donald H. Oliver: Honourable senators, I wish to associate myself with the remarks just made by Senator Jaffer, and I, too, was honoured to be present when His Highness the Aga Khan announced the creation of a landmark initiative for promoting diversity and peace, the Global Centre for Pluralism to be built next to the delegation of the Saudi Arabian embassy on Sussex Drive in Ottawa. Construction is expected to start later this year.

The Global Centre for Pluralism will be a non-denominational, not-for-profit, non-governmental research and education institution. The centre will promote pluralistic values and practices in culturally diverse societies worldwide to ensure that every individual has the opportunity to realize his or her full potential as a citizen, irrespective of cultural, ethnic or religious differences.

In his remarks on Monday, His Highness said he selected Canada as home to his new Global Centre for Pluralism because our country's experience with pluralism is a global asset which must be shared for the benefit of the world. He also referred to Canada's leadership among Western countries and the seriousness and respect it accords to the world of Islam and other world religions.

Honourable senators, this new centre will complement the work contained in the recent report of the Conference Board of Canada entitled, "Business Critical: Maximizing the Talents of Visible Minorities — An Employer's Guide," which proved that when it comes to promoting pluralism and diversity, Canada can be a leader.

This recent announcement by the leader of world peace, His Highness the Aga Khan, will help break down barriers that keep our nation from becoming a truly pluralistic country.

This centre is another example of His Highness the Aga Khan's extraordinary legacy of promoting peace and diversity.

# WORLD ENVIRONMENTAL DAY

Hon. Joseph A. Day: Honourable senators, Sunday, June 5, marked the thirty-third annual World Environmental Day. World Environmental Day was established by the United Nations General Assembly in 1972 and is one of the principal vehicles through which the United Nations stimulates worldwide awareness of the environment and enhances political attention and action.

This year's theme is green cities. The United Nations hopes that nations will stage events on environmental issues to help those issues become more understandable to their citizens and empower people to become active agents of sustainable and equitable development.

In addition, the United Nations wishes to promote an understanding that communities are pivotal in changing attitudes towards the environment. We have heard a lot about the Kyoto Protocol which came into force in February of this year, primarily the focus on the reduction of greenhouse gases. There was also a lot of discussion in the past with respect to energy conservation.

Honourable senators, I had the privilege of participating in the Asia-Pacific parliamentary conference on renewable energy, another area in the environmental field that is very important, and the concept of exchanges of technology and the development of new technologies in relation to renewable energies. This conference was held in conjunction with the thirteenth annual congress for Asia and the Pacific held in Gifu City in Japan.

There are many initiatives we can take with respect to environmental issues. One of them was promoted by the minister of the environment for Japan, and the program is called "Cool Biz," It is an effort to encourage the reduction in costs of air conditioning by encouraging people to remove their neckties and jackets.

• (1340)

We were challenged by the Honourable Senator Banks yesterday to come up with new ways of showing our environmental awareness. Honourable senators may wish to consider joining the Cool Biz program.

# GIRL GUIDES OF CANADA

#### NINETY-FIFTH ANNIVERSARY CELEBRATIONS

Hon. Nancy Ruth: Honourable senators, as the senator from Cluny, Ontario, I am pleased to report on the success of the recent ninety-fifth anniversary celebrations of the Girl Guides of Canada.

On May 28 and 29, all across Ontario, members of the Girl Guides of Canada, a movement of girls and women that challenges members in their personal development and empowers them to be responsible citizens, celebrated the organization's ninety-fifth anniversary.

Girl Guides is the largest organization for girls and women in Canada, with almost 135,000 members — over 108,000 girls aged five to 17 and over 26,000 women.

In Toronto, on Sunday, May 29, about 3,300 Girl Guides participated in a children's march from the Royal Ontario Museum, around Queen's Park and the legislative buildings, held a picnic with traditional games and activities, and celebrated the fact that this incredible organization for girls and women is 95 years young.

Toya Alexis, a recent Canadian Idol finalist and Plasma recording artist, performed for the crowd and encouraged the girls and women in attendance to continue their important efforts in the community. Ms. Alexis became an honorary member of the organization to support the valuable role that the organization plays in building self-esteem in women and fostering their belief that they are capable of achieving their dreams.

In celebration of 95 years of community service, the Toronto event featured a donation of over \$3,500 from the Girl Guides to the Children's Wish Foundation to help fulfill the wishes of children diagnosed with a high-risk, life-threatening illness.

I commend the efforts of the Girl Guides of Canada, extend my best wishes for their ninety-fifth anniversary, and look forward to their one-hundredth anniversary in 2010.

[Translation]

### THE ENVIRONMENT

Hon. Madeleine Plamondon: Honourable senators, what progress are we making in our battle for a better environment? Should we be celebrating or despairing? A bit of both, I would say. The media coverage during Environment Week is hitting the high points and the low points, which gives us a chance to take a look at our individual and collective conscience.

It also gives us a chance to take hope, since governments, corporations and individuals are all making encouraging progress.

[English]

For example, in Ontario, tough new legislation will ensure that the largest polluters pay penalties of up to \$100,000 a day. A new magazine called *Plenty* aims to show consumers how they can also be environmentalists.

[Translation]

In late June, the Société des alcools du Québec will start using biodegradable plastic bags in its outlets. Students of the Collège Mont Notre-Dame, in the Eastern Townships of Quebec, wrote the management of a shopping mall lobbying for aluminum can recycling bins to be installed. When aluminum is recycled, there is a saving of up to 95 per cent of the energy that would be required to produce it from scratch.

New Brunswick is looking into recycling paper cups. But we must not rest on our laurels! Every year, one billion kilos of toxic waste are choking our Great Lakes. The government would be wrong to claim the condition of the Great Lakes has improved.

As well, smog kills 1,600 people in Montreal and Toronto every year.

The people of Gatineau are still having drinking water problems.

[English]

Moreover, in Kingston, environmental groups want the ministry to do something about the decades-old practice of discharging raw sewage into waterways.

[Translation]

Finally, a report in *Le Devoir* says that 11 academies of science — those of the G8 countries plus the three largest developing countries (China, India and Brazil) — have signed a joint declaration stating that a worldwide action plan must be set in place immediately to address the global threat of climate change.

Advances have been made, but the battle is far from over.

[English]

# **QUESTION PERIOD**

# **CANADA-UNITED STATES RELATIONS**

NORTH DAKOTA—DEVIL'S LAKE DIVERSION

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, my question is directed to the Leader of the Government in the Senate and concerns the Devil's Lake diversion project in North Dakota.

Last week, the Supreme Court of North Dakota acknowledged that the Devil's Lake outlet will likely degrade water quality in the Red River but, nevertheless, denied Manitoba's bid to stop construction of the outlet. In a conversation with President Bush last Wednesday, Prime Minister Martin reiterated Canada's desire to see this project go to review by the International Joint Commission.

Is the government optimistic that the Bush administration will respond affirmatively to Canada's request? If not, what details can the leader give us with respect to other legal avenues that the government is considering?

Hon. Jack Austin (Leader of the Government): Honourable senators, we all acknowledge the importance of the issue Senator Stratton has raised, first, to the water quality of Manitoba's river systems and, second, Canada-U.S. bilateral relations.

Honourable senators may be aware of a news report today that the Governor of Ohio, Bob Taft, has delivered a letter to Secretary of State Condoleezza Rice asking the United States to agree to the terms of a joint reference to the International Joint Commission. At this stage of the process in the United States, a number of American authorities are finally addressing themselves to this issue and its larger significance.

I cannot report to the chamber either optimism or pessimism with respect to whether the United States government will take action to create a joint reference. At the same time, I am not in a position to advise what further steps the government would take if a joint reference is not acceptable.

• (1350)

Senator Stratton: The worry and concern is over the potential opening of the Devil's Lake diversion on July 1, 2005. Could the Leader of the Government in the Senate please expand on the additional steps being taken to monitor the water quality of the Red River in preparation for possible claims of environmental damage? The July 1 diversion is ever closer.

Senator Austin: Honourable senators, I understand that baseline scientific work is being done to determine what depreciation of water quality might occur. Canada and Manitoba are taking the position that parasites found in the Devil's Lake system are not found in the Red River system and would act in a deleterious way against native organisms in the Red River. These cases have to be documented, and that is one of the purposes of the joint reference to the IJC. In that way, a common, factual base derived from life organisms would be used to understand the level of degradation.

Of course, other issues relate to the level of water, the timing for the release of water, whether there should be an absolute bar to any diversion, and whether a diversion regime in the U.S. could take place without any degradation to the Canadian water system.

## **INDUSTRY**

## **DEBIT CARD FRAUD**

Hon. Donald H. Oliver: Honourable senators, I have a follow-up to a question I asked of the Leader of the Government in the Senate two weeks ago. Last week, it was reported that 4 per cent of debit card users — 760,000 Canadians — were victims of debit card fraud in the past year. In fully one third of the cases, the relevant bank refused to reimburse the victims for their losses, which raises a significant public policy issue. We learned this as a result of a poll conducted for Industry Canada by Environics last fall as part of a broader review of consumer protection in the world of electronic banking. Could the government leader advise the Senate whether this study is only for the sake of a study or whether the government is looking at a legislative response to the problem of debit card fraud?

Hon. Jack Austin (Leader of the Government): Honourable senators, the government is seized of the debit card fraud issue and the issue of the theft of personal identity. I cannot advise the chamber on the government's ongoing decisions. I believe the question will have to wait awhile for any positive answer.

Senator Oliver: Last fall's survey was not the first time that Environics had been asked these questions on behalf of Industry Canada. The previous survey was in the first quarter of 2003, more than two years ago, and netted similar results. First, could the Leader of the Government advise the Senate why Industry Canada has paid to receive similar information about debit card

fraud twice over a period of less than two years? Second, how much did the survey cost? Third, what use was made of the initial survey in the winter of 2003? Fourth, were any specific responses planned in response to the most recent survey?

Senator Austin: Honourable senators, to the extent that I am able to provide answers, I take the questions as notice.

## HEALTH

# COMPENSATION TO HEPATITIS C VICTIMS

Hon. Ethel Cochrane: Honourable senators, my question is for the Leader of the Government in the Senate and concerns compensation for all tainted blood victims. Last November, the federal government announced that it would reverse its long-standing policy and would enter into negotiations to provide monetary compensation to those people infected with hepatitis C who were not included in the original compensation package. Keeping in mind last week's guilty plea by the Canadian Red Cross for distributing tainted blood, could the Leader of the Government in the Senate tell us if these talks have progressed? Are the pre-1986 and post-1990 tainted blood victims any closer to receiving the compensation that they have long deserved?

Hon. Jack Austin (Leader of the Government): Honourable senators, I cannot advance today beyond the answers I have given previously on the subject.

Senator Cochrane: The federal government has maintained since last November that before the issue of compensation for these people can move forward, it must learn the findings of the actuarial audit of the original hepatitis C compensation fund. This audit has been slated for release in June 2005 but reports suggest that it may be delayed. Could the honourable leader tell the house whether the federal government still expects to learn the results of the actuarial audit this month? An answer at a later date would also be appreciated.

Senator Austin: I cannot advise the chamber at this time.

[Translation]

1418

#### SOCIAL DEVELOPMENT

# EFFICACY OF SUPPORT PROGRAM TO COMBAT POVERTY

Hon. Jean-Claude Rivest: Honourable senators, on Monday, the National Council of Welfare released a report which is quite critical of the effectiveness of all Canadian social policies, income support policies in particular.

The council talks about a disaster, with high public spending doing little to reduce poverty. The council called on the federal, provincial and municipal governments to review the entire situation.

My question for the Leader of the Government in the Senate is the following: could the Government of Canada not conduct a full reassessment of its spending on income support to fight poverty, as it did successfully over the past six years with its fresh look at health care services?

Is it not time for Canada to strengthen its social security system, which should be one of Canada's top priorities?

[English]

Hon. Jack Austin (Leader of the Government): Senator Rivest, I share with most senators in the chamber disappointment in the scorecard provided by the National Council of Welfare on the state of poverty and the remedial steps toward dealing with that subject by the federal and provincial governments. The facts set out in that report make it clear that a substantial number of Canadians have seen no benefit in the economic expansion that has taken place over the last decade. These people are dependent on various welfare programs, and I include seniors and other vulnerable people in that group, as well as the child care issue in Canada. Government will have to re-address the issue in a major way, as the honourable senator suggested. This is clearly a wake-up call. Canadians' values show a strong commitment to social fairness and social progress. When a well-based report card comes in and it is found that we have made no progress, government will have to focus of a response.

[Translation]

**Senator Rivest:** Will the Prime Minister of Canada put this matter at the top of his list of priorities for future meetings with the provincial premiers?

[English]

Senator Austin: I agree with the honourable senator's suggestion. Government has scheduled a review of the issue of social poverty in Canada and the efficacy of Canada's welfare programs. We, as a government, have scheduled that review this summer. Officials are working to present a current report card to us, which would include the information provided by the National Council on Welfare.

• (1400)

[Translation]

#### THE SENATE

# CONFLICT OF INTEREST CODE—COMPOSITION OF REVIEW BODY

Hon. Marcel Prud'homme: Honourable senators, my question is for the Leader of the Government in the Senate. Soon, under the conflict of interest code for senators and in accordance with the decision by the Senate — which I respect — the government side will have to elect by secret ballot two senators to represent the government. I will comply with what was adopted. I do not agree with it, but I will comply with it. It was a decision by the Senate. This is democracy. I will not repeat my objections. The official opposition will also have to elect two senators by secret ballot. Once the government and the opposition have chosen their senators, these four persons will have to choose the fifth member of the committee.

There are 11 of us independent senators. We are not opposition senators, we are independent senators. There are five Progressive Conservative senators, one New Democrat senator and five independent senators. A force of some strength. I note that elections will be held soon for both sides, but, to the best of my knowledge, none of us has been consulted — unless some are more privileged than others, which would not surprise me!

[English]

Would the leader indicate whether he has been approached one way or another? Already I know of three here who are totally unaware. I have conducted the same survey with others.

What is the intention with regard to the 11? We do not demand — I know the difference between demand and request — that our opinions be taken into account, but will we at least be canvassed privately as to our opinions? There will be 11 of us. That number may increase after the Prime Minister decides who will be appointed to fill the next 12 vacancies before Christmas. Perhaps then 15 or 18 of us will have no say and no representation.

I recognize that the Leader of the Government is a fine gentleman who enjoys equilibrium and harmony in this place. Harmony is what makes the Senate different from the House of Commons. Is it possible that we will know a little more than just being told that certain senators have been chosen — bang, two Liberals, bang, two Conservatives, and bang, bang, the four got together and agreed on, big bang, the fifth one, and tough luck for you?

Hon. Jack Austin (Leader of the Government): Honourable senators, this is not government business, but a question on the Rules of the Senate. Therefore, all I can say is that I am sure the honourable senator's representations have been heard by the entire chamber and will be taken into account.

Senator Prud'homme: Honourable senators, I will not make a long speech on the definition of leadership, especially in light of the fact that the Leader of the Government in the Senate has held many high positions in the past and will again, perhaps, in the future. However, surely we should have some indication from the leadership. Some leadership should be shown. We will have to live with this decision for a long time. We want harmony and discipline. The word that I would leave with you for your reflection, honourable senators, is "harmony." If we demonstrate harmony in the Senate, our behaviour will be in sharp contrast to the behaviour that is being exhibited in the other place, where I was happy to serve for such a long time.

Senator Austin: Perhaps, by way of explanation, I could say that the code of conduct that has been adopted by the Senate provides something unusual in this chamber, and that is an election of choice by the government caucus and the official opposition caucus.

Therefore, it is not the business of government, and I presume not the business of the Leader of the Opposition, to direct the choices. Those are made after a secret ballot and will be left to the judgment of the members of the government caucus and the official opposition caucus.

When the four are chosen — and I have no role to play except to cast a single ballot or two ballots, one for each of my choices — those elected have the authority, with no role played by myself nor Senator Kinsella in the choice of the fifth.

I believe the honourable senator has made the chamber aware of his representations.

[Translation]

# DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour of presenting two delayed answers to oral questions raised in the Senate. The first is in response to a question raised on May 5, 2005 by Senator Ringuette on the citizenship status of spouses and children of veterans who married overseas.

[English]

The second delayed answer is in response to a question raised on June 1 by Senator St. Germain regarding Indian residential schools resolution, funding of settlements pending report of the government representative.

## CITIZENSHIP AND IMMIGRATION

CITIZENSHIP STATUS OF SPOUSES AND CHILDREN OF VETERANS WHO MARRIED OVERSEAS

(Response to question raised by Hon. Pierrette Ringuette on May 5, 2005)

Access to Old Age Security (OAS) is not dependent on Canadian citizenship, but is dependent rather on time spent in Canada (i.e., residence). Individuals who were born outside Canada must provide evidence of having lived in Canada to determine eligibility for OAS benefits, whether the individual is a Canadian citizen or a permanent resident. Documents used by Social Development Canada as evidence of residence in Canada may include school records, passport stamps, plane tickets, etc.

To be eligible for OAS, applicants must also demonstrate that they are legally resident in Canada the day before their application is approved or that they were legally resident their last day in Canada if they are applying for OAS from outside Canada. Children born outside Canada to the brides of Canadian servicemen after World War II as the children of war brides, are Canadian citizens by birth, and may provide a citizenship certificate as proof of legal status in Canada.

To obtain proof of Canadian citizenship, children born outside Canada to the brides of Canadian servicemen must apply to Citizenship and Immigration Canada (CIC) for a citizenship certificate and must include in their application evidence they were born in wedlock (e.g., parents' marriage certificate) and evidence their father was a citizen (e.g., father's Canadian birth

certificate). First time applicants for proof of citizenship who do not have historical documents such as foreign marriage certificates in their possession may contact the relevant foreign embassy to obtain replacement documents.

#### PRIVY COUNCIL

# INDIAN RESIDENTIAL SCHOOLS RESOLUTION— FUNDING OF SETTLEMENTS PENDING REPORT OF GOVERNMENT REPRESENTATIVE

(Response to question raised by Hon. Gerry St. Germain on June 1, 2005)

As mentioned in the Government's announcement of May 30th, 2005, our work with former Indian residential school students is continuing throughout the period of the discussions led by the Honourable Frank Iacobucci. The Government will continue to resolve cases in litigation or through the Alternative Dispute Resolution, or ADR, process — however former students choose to pursue their claims.

The department continues to streamline and make efficiencies in how it discharges its role in the ADR process, and has accomplished significant improvements since the beginning of this year. We have achieved significant efficiencies through automation, more focused validation efforts reducing the documentation needed for these claims, and continued cooperation with former students in the management of their claims.

At the same time, we have not reduced our ongoing and significant investment in the vitally-important 24 hour-a-day crisis intervention service and personal counselling available during the resolution process, as well as the form-filling support and financial support for travel and related expenses which are provided to former students to participate in the process. These services are an essential part of the safe and humane approach to claims resolution which the Government continues to take, and providing these services to former students represents a significant but necessary portion of the Government's expenditures.

We will not abandon those former students who have chosen the ADR process to resolve their residential school claim, and we will continue to support those former students to the greatest extent possible. I want to be clear that participation in the current ADR process will not prejudice the ability of former students to take advantage of benefits which may arise from the discussions led by the Federal Representative.

This Government is committed to finding fair and lasting solutions for resolving the legacy of Indian residential schools. We continue to make refinements to the ADR process and to our overall approach. The discussions to be led by Mr. Iacobucci are an important next step toward a lasting resolution of this often tragic legacy.

# ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES

PERSONAL WATERCRAFT BILL—
NOTICE OF MOTION TO AUTHORIZE COMMITTEE
TO REFER DOCUMENTS FROM PREVIOUS SESSIONS
TO ITS STUDY ON BILL S-12

Leave having been given to revert to Notices of Motions:

Hon. Tommy Banks: Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the papers and evidence received and taken by the Standing Senate Committee on Transport and Communications during its study of Bill S-26, concerning personal watercraft in navigable waters in the First Session of the Thirty-seventh Parliament, and the papers and evidence received and taken during the Second Session of the Thirty-seventh Parliament during the study of Bill S-10, and the papers and evidence received and taken during the Third Session of the Thirty-seventh Parliament during the study of Bill S-8, concerning personal watercraft in navigable waters be referred to the Standing Senate Committee on Energy, the Environment and Natural Resources for its study of Bill S-12, concerning personal watercraft in navigable waters.

[Translation]

# ORDERS OF THE DAY

# ECONOMIC DEVELOPMENT AGENCY OF CANADA FOR THE REGIONS OF QUEBEC BILL

# SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Hervieux-Payette, P.C., seconded by the Honourable Senator Lapointe, for second reading of Bill C-9, to establish the Economic Development Agency of Canada for the Regions of Quebec.

Hon. Pierre Claude Nolin: Honourable senators, I am pleased to speak today in debate at second reading of Bill C-9, to establish the Economic Development Agency of Canada for the Regions of Quebec.

As Senator Hervieux-Payette mentioned, the aim of this bill is to create a distinct legislative framework for this federal agency, which is so vital to Quebecers.

Bill C-9 uses the same wording and structure as the Atlantic Canada Opportunities Agency Act, which many of you are familiar with. Known as Bill C-103, this legislation was passed in 1988.

There is also separate legislation for Western Economic Diversification Canada. Of the three regional development agencies, only WEDC is considered a department in its own right.

• (1410)

As we know, the federal government plays an important role in the economic development of the regions of Canada through the efforts of the three federal agencies I mentioned, all of which were created, I say with much pleasure but also humility, by the Progressive Conservative government of the Right Honourable Brian Mulroney.

For this fiscal year 2005-06, these three agencies will have a budget of \$1.2 billion.

In 1998, the Economic Development Agency of Canada for the Regions of Quebec replaced the Federal Office for Regional Development-Quebec, which had been created in 1991.

According to a report on plans and priorities for 2005-06, published by the agency, its budget has been set at \$444 million.

Of this amount, almost \$406 million will be spent on grants and contributions for regional economic development, including \$98 million for support to businesses, \$69.5 million for improvement of the economic environment in the regions and, finally, \$228 million, the lion's share, for improvement of community infrastructure.

Honourable senators, during the last election campaign, unfortunately, some Liberal candidates tried, without much success, to unfairly frighten the residents of Quebec by saying that my party, the Conservative Party, would eliminate all federal regional development policies.

I would like to confirm today, honourable senators, that the Conservative Party, in the same way as the then Progressive Conservative government, supports a policy of regional development relying on the three federal agencies that I have just mentioned.

In our view, these three agencies are an important part of any overall strategy to help the regions take advantage of the opportunities offered by the new world economy.

Honourable senators, if you are not convinced of our commitment, I would like to draw your attention to the work done by Conservative member of Parliament, James Moore, as well as the efforts of our critic for regional development in Quebec, Josée Verner, during consideration of Bill C-9 in the other place.

Our colleague, Senator Hervieux-Payette indirectly referred to their excellent work during her speech yesterday when she mentioned, quite properly, that Bill C-9, in its present form, also reflects the concern of the Government of Canada and of Canada Economic Development, and I quote:

[...] to work in complementarity with what the Government of Quebec is doing.

She was referring, if I may clarify the point, to subsection 2 of clause 10 of Bill C-9, which represents an amendment proposed by my party and which was adopted by a majority of members in the other place.

To tell the truth, the political party that I represent has always been conscious of the important role that the federal government must perform in the area of regional development, to help overcome the disparities between regions and to promote the collective enrichment of all Canadians.

Having said that, I might add in passing that the Conservative Party, the instigator of the Canadian compact of 1867 on which the foundations of our federation rest, has always held that federal regional development policies must be designed to encourage the greatest possible cooperation with the provinces, to avoid unnecessary overlapping of programs and to maximize economic development opportunities for all regions of our country.

In that sense, the amendment proposed by the Conservative Party respected the philosophy developed by the Progressive Conservative government in 1984, through the federal strategy for economic development in Quebec.

That strategy was based on the fact that the actions of federal authorities should be guided by a willingness to work in cooperation with the Government of Quebec, regardless of its political allegiance.

It was in that spirit that the Progressive Conservative government, negotiated in 1984 the agreement on regional economic development that expired in 1994.

That agreement contained government commitments of \$1.4 billion, more than \$720 million of which was provided by the federal government, and which made possible the modernization of Quebec's industrial structure, in particular, by supporting telecommunications and the pharmaceutical and aerospace industries.

These are all sectors where Quebec is today recognized as a world leader.

In the same vein, our colleague Senator Hervieux-Payette, also stated that Bill C-9 gives the agency the means to, and I quote:

[...] design and implement mechanisms to facilitate cooperation with Quebec and its communities.

This time, she was referring to paragraph (a.1) of subsection 1 of clause 11 of Bill C-9. Once again, this is an amendment proposed by the Conservative Party and adopted by members of the other place.

This last amendment is also faithful to the position of the former Progressive Conservative government and to the original mandate of the Federal Office for Regional Development-Quebec, which was based on cooperation and partnership with the regions and the Government of Quebec for economic renewal and prosperity.

Honourable senators, I would now like to draw your attention to a third amendment to Bill C-9, which was adopted by the other place and which also came from my caucus.

Over the years, many observers have strongly criticized the various — and I emphasize various — governments in the federal Parliament for the use they have made of federal regional development agencies for partisan election or visibility purposes, and with good reason. Given the enormous amounts of money allocated to these agencies, it was fair and normal that a government would want to get maximum visibility.

Between April 1 and May 16 this year, a time when the disturbing revelations of a commission I dare not name heightened the possibility of a spring election, government members and ministers announced that Quebec would be receiving, through the Economic Development Agency of Canada for the Regions of Quebec, a total of \$66 million in grants or subsidies for 19 initiatives.

One year earlier, between April 1 and May 20, 2004, shortly before a federal election was called we all know when, the federal government had announced that it intended to finance 42 initiatives.

A quick comparison to illustrate my point: in 2003, only five announcements were made.

In light of the fact that the way Canadians perceive politicians has seriously deteriorated in recent weeks and given that, in the name of democracy and respect for legislative institutions, it is absolutely essential that we, as parliamentarians, do everything in our power to reverse this tendency, the new subclause 5(3) in Bill C-9, an amendment which states that no grant or contribution shall be announced from the date that a federal election has been called until the day after voting day, may resolve in part the problem I just raised without resolving it completely.

We do support the mandate of the Economic Development Agency of Canada for the Regions of Quebec, but we also believe that it should be depoliticized. The amendment I just quoted continues to help achieve this objective in part.

That having been said, in closing, while the media line published by the government following the introduction of Bill C-9 indicated that no changes were being made to the mandate or operation of the Economic Development Agency of Canada for the Regions of Quebec, I am pleased to see that my party improved this legislation to establish a federal agency that is more transparent and more respectful of the needs of the regions and industries of Quebec.

In that sense, honourable senators, I am convinced that Bill C-9 will find strong support on both sides of the chamber.

(1420)

The Hon. the Speaker pro tempore: Are honourable senators ready for the question?

Hon. Senators: Question!

[Senator Nolin]

The Hon. the Speaker pro tempore: Honourable senators, it is moved by the Honourable Senator Hervieux-Payette, seconded by the Honourable Senator Lapointe, that the bill be read the second time. Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

[English]

# REFERRED TO COMMITTEE

The Hon. the Speaker pro tempore: Honourable senators, when shall this bill be read the third time?

On motion of Senator Hervieux-Payette, bill referred to Standing Senate Committee on National Finance.

# SPIRIT DRINKS TRADE BILL

# SECOND READING—DEBATE ADJOURNED

Hon. Grant Mitchell moved second reading of Bill S-38, respecting the implementation of international trade commitments by Canada regarding spirit drinks of foreign countries.

He said: Honourable senators, it is a great pleasure for me to rise today to move second reading of Bill S-38, the Spirit Drinks Trade Bill. While I am clearly not an expert in technology, it may come as no surprise that neither am I an expert in agriculture. However, this is the second bill that I have had the pleasure of sponsoring or initiating in the Senate and both, believe it or not, are agricultural bills. In fact, not only is that the case, but I have also enjoyed membership on the Agriculture Committee and can only encourage others to enter into that realm of policy and sit on that committee because these are extremely interesting and important issues.

To the extent that I might appear to know anything about this subject at all, it would be because I have been briefed so well by members of the staff and members of the minister's department. I would like to mention, if any of them are here, that I appreciate their help greatly. It has been a tremendous support for me.

I fully support this legislation because I understand its importance to the economic well-being of the wine and spirit industries in Canada. As was the case with the first bill I introduced in the Senate, this bill implements certain international trade obligations that are relevant to the agriculture industry in this country.

It is clear that Canada is a trading nation, and a rules-based trading system is fundamental to the global economic competitiveness of Canadian industries.

[Translation]

Once Royal Assent has been given, Canada will have the necessary legislative measures to comply with the trade commitments we have so carefully negotiated under the agreement between Canada and the European Community on trade in wines and spirit drinks.

# [English]

In addition to implementing provisions of the agreement between Canada and the European Community, this bill will also incorporate certain obligations under the North American Free Trade Agreement. These initiatives are part of the government's action plan to stimulate trade and develop new export markets for agricultural products.

It has been more than 15 years since Canada first signed a trade agreement with the European Community, in 1989, on wines and spirits. That initial agreement had a positive impact on the industry in Canada. However, European countries were concerned that it did not provide for the protection of names for their products. Subsequent to 1989 they sought an agreement that would include the protection of appellation of origin names for wines and spirits. Several years of informal discussions took place in response to the concerns expressed by members of the European Union. These discussions led to a formal bilateral negotiation process. In 2003, the Government of Canada, as a result of that process, signed a new agreement between Canada and the European Community on trade in wines and spirit drinks that included amendments to the 1989 agreement.

# [Translation]

Honourable senators, the work of all those involved has led to some very positive results. All parties stand to gain from ratification of the agreement between Canada and the European Union.

#### [English]

With it, wine and spirit producers in both Canada and the EU have an agreement that gives them access to more trade opportunities and more stable trade rules. As well, consumers in Canada and the EU have access to a greater variety of wines and spirits than they had in the past.

I should say that in the process of preparing for this speech, I did not try all the spirits and wines that are taken care of in this legislation, but I am absolutely certain that to the extent that some of them are Canadian, they will be the best in the world.

Honourable senators, the wine and spirits industries are very important to the Canadian economy. Canada has over 170 wineries that together generate more than \$400 million in sales every year, and Canada has 21 distilleries that produce over \$1 billion of spirit drink products each year.

This agreement is important to the producers in the Canadian wine and spirits industries. They see tremendous potential for growth as a result of the agreements and they have been very supportive of the bill from the outset. It provides them, the industry and the Canadian economy with trade rules in the domestic marketplace, greater access to the EU marketplace, and

a framework to manage any potential grievances in a cooperative manner.

It achieves a simplified certification process for the export of Canadian wine. This reduces the uncertainty our industry has encountered in trying to access the EU wine market for quality Canadian wine, including ice wine.

It recognizes the international reputation of Canadian wines and signature Canadian whiskey through protection for Canadian geographical indications.

It reduces the threat that the EU would challenge Canadian provincial liquor board practices. This allows us to maintain existing provincial liquor board policies.

It bolsters Canadian export markets and Canadian agri-tourism, which are important to rural development in the grape-growing areas of Canada.

# [Translation]

Canadians are pleased with the advantages obtained through the renewal of the agreement, but we must also take into consideration the point of view of the European Union producers in this situation.

#### • (1430)

# [English]

The EU members consider that the renewed agreement provides a broader scope than its predecessor. Under the agreement, Canada makes commitments that will benefit EU wine and spirit drink producers. Through the Canada-EU agreement, we now recognize that the use of certain spirit drinks is exclusive to their country of origin — for example, ouzo from Greece and grappa from Italy. I think it is important to point out that Canadian distilleries do not produce those spirits that will receive protection through this agreement.

The bill before us today is specifically designed to provide the legislative basis required to uphold our end of this agreement — by protecting the names of those spirit drinks. This is necessary because drinks such as grappa, ouzo, jagertee, korn, pacharán — names that are specifically listed in a schedule attached to the bill — are not protected through other means, such as trademarks or geographical indication.

A geographical indication is the use of a name on an agricultural product that is specific to the geographical region where it originates. Typical examples include Bordeaux wine or Champagne. Under the trade agreement with the EU, Canada achieved in return protection for wine and spirit geographical indications such as Okanagan Valley, Niagara Peninsula and Canadian rye whiskey. A name such as ouzo, although it is clearly specific to a country of origin, does not fall into this category because it is not actually a place name. Therefore, it requires a different form of protection.

Trademarks can protect generic names for goods. However, the Trademarks Act provides private rights to protected names and, under the trade agreement with the European Community, Canada has committed to provide state-enforced protection for these names. This is why, honourable colleagues, we have the legislation before us today, the Spirit Drinks Trade Bill.

It is important to note this bill has also allowed us to incorporate some provisions of NAFTA to protect names such as tequila and bourbon, and also previous trade agreements, such as protection for Caribbean rum under Canada's agreement with the CARIBCAN signatory nations, among others. Previously, these found a legislative basis in the Food and Drug Regulations but will now be incorporated into this bill, a simple housekeeping measure.

#### [Translation]

We must pass this legislation, because it gives Canada a legal mechanism enabling it to meet the trade obligations we have so carefully negotiated. In the context of the negotiations that led to the renewed agreement on spirit drinks and wines, Canada succeeded in obtaining many benefits from the EU, which Canadian producers and consumers can enjoy.

However, to retain these benefits, we must ensure we are in a position to honour our obligations to our trading partners.

# [English]

Canadian wine producers and the Canadian spirits industry strongly support the implementation of the Canada Agreement between Canada and the European Community on Trade in Wines and Spirit Drinks. As well, both the Canadian Vintners Association and Spirits Canada have indicated they support the proposed legislation.

## [Translation]

The provinces, the members of Canada's wine and spirits industries and the federal government joined forces to negotiate the agreement between Canada and the EU on wine and spirits. It is an important agreement, which gives Canadian wine and spirits producers greater access to the European market in the years to come.

## [English]

The Spirits Drinks Trade Bill establishes the legal vehicle through which to comply with our trade obligations with the European Union. I ask that honourable senators support the wine and spirits industries in Canada by passing this bill.

Hon. Jack Austin (Leader of the Government): I wonder if Senator Mitchell would take a question.

Senator Mitchell: I certainly would.

Senator Austin: I have been asked by Senator Christensen and Senator Rompkey to inquire whether Yukon Jack and Newfoundland Screech are protected.

Senator Mitchell: They are clearly so Canadian in their appellation, as we say in this technical area of law, that they will be absolutely protected. I should also add that no other country on the face of the Earth could possibly produce those kinds of products.

Senator Stratton: Is that a compliment?

Hon. Francis William Mahovlich: I was wondering if Senator Mitchell would take another question.

Senator Mitchell: Yes, I would.

Senator Mahovlich: A number of European drinks were mentioned. I know the country is not in the European Union, but what about slivovitz? It is a Croatian drink. It is also served for medicinal purposes, by the way.

Senator Mitchell: It is not a product about which I am aware. Perhaps it is something that the honourable senator encountered in one of his many forays to play hockey elsewhere in the world. I will certainly get an answer for the honourable senator as to the disposition of that particular spirit.

On motion of Senator Kelleher, debate adjourned.

#### CANADA ELECTIONS ACT

BILL TO AMEND—SECOND READING—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Harb, seconded by the Honourable Senator Mercer, for the second reading of Bill S-22, to amend the Canada Elections Act (mandatory voting).—(Honourable Senator Stratton)

Hon. Donald H. Oliver: Honourable senators, I am pleased to join the debate on Bill S-22. I wish to thank Senator Harb for his submission outlining his position regarding the need for legislation to encourage voting in elections, which is essentially the theory that compulsory voting draws in part on the view that citizens, having been given the right to vote, ought to exercise it. Senator Harb's work and the work of many other honourable senators in this chamber to raise awareness on the state of voter apathy is very much needed given the current state of electoral participation in this country.

Several honourable senators have spoken about Canada's increasingly distressing problem when it comes to voter participation in elections. Indeed, as Senator Harb pointed out in his second reading remarks on Bill S-22, voter turnout has been on a precipitous decline for over 40 years, reaching an all-time low of 60.9 per cent in last year's federal election. This decline is even more startling when one considers the fact that only 25 per cent of Canadians under the age of 25 chose to vote in the last federal election. Since this cohort is already voting at increasingly low levels, it is more than likely that voting rates will continue to drop sharply in elections to come.

That said, honourable senators, I believe there is a fundamental issue at stake here, an issue that Senator Harb has yet to adequately address in his remarks on Bill S-22. In a country where, throughout its history, compulsory laws have not easily been accepted, there is something inherently anti-democratic about enacting legislation to essentially coerce or force Canadians into exercising their democratic rights.

Senator Kinsella has raised the issue of our Charter of Rights and Freedoms. He questioned whether the adoption of legislation to make voting compulsory might violate section 3 of the Charter, which guarantees "every citizen of Canada the right to vote in an election of members of the House of Commons or of a legislative assembly and to be qualified for membership therein" — in short, whether implicit with the right to vote is the right not to vote.

Senator Austin put it this way:

Compulsory voting runs contrary to our tradition of regarding the right to vote as a right to be exercised freely. I believe most Canadians view mandatory voting as an infringement of their personal liberty. They would regard being forced to vote as contrary...to their personal freedom.

• (1440)

Indeed, honourable senators, this is precisely what John Courtney, professor emeritus at the University of Saskatchewan and renowned expert on elections and voting trends, argued in his most recent book on Canada's electoral history, simply entitled, *Elections*.

Professor Courtney contends that a "significantly large body of Canadians subscribe to classical liberal ideology which suggests that the state should play no part in serving as a watchdog for electoral participation."

Courtney argues that Canada, throughout its history, "has demonstrated a greater acceptance of a laissez-faire attitude in its elections." He argues that the "Canadian approach to participation, which is shared by most other Western liberal democracies, rests on the notion that the state has no legitimate role to play in enforcing democratic participation by citizens."

Honourable senators, this view — that Canadians have a right not to vote if they so choose — was one of the main conclusions of the 1989 Royal Commission on Electoral Reform and Party Financing, which was created by Prime Minister Mulroney after the 1988 federal election. I was honoured to be a member of that royal commission, along with Senator Pépin.

From November 1989 to the fall of 1991, the commission held 42 days of hearings and public consultations with Canadians in 27 cities from coast to coast. Our mandate concerned the most fundamental issues of our electoral system and the most basic of democratic rights — the right to vote, to be a candidate and to participate in free and open elections. In total, the commission made 560 recommendations.

The commission heard from over 75 scholars from across Canada and other parts of the world who presented papers on what they considered to be the major issues of electoral reform

and the research projects that would be necessary to address them. At the same time, the commission received 900 briefs and submissions — 233 from various groups and associations, 195 from political practitioners and organizations, and 466 from election administrators and private citizens. The commission's record of testimony exceeds 14,000 pages.

Honourable senators, when the Lortie commission, as it was known, studied ways to enhance citizen involvement in elections, mandatory voting was not one of the commission's recommendations.

I will repeat what the commission said in its final report, which the Leader of the Government in the Senate has already brought to the attention of this chamber. I quote:

Although every effort must be made to ensure voters are registered and able to vote if they wish to do so, the public interest in electoral democracy need not extend to a requirement that citizens vote. The Canadian approach has assumed that voters have the right not to vote, and we agree with this view.

While the commission discounted the idea of mandatory voting as a mechanism to encourage political engagement, it did establish six objectives to guide Canada's policy on electoral reform. Those objectives include, first, securing the democratic rights of voters; second, enhancing access for Canadians to elected office; third, promoting the equality and efficacy of the vote; fourth, strengthening political parties as primary political organizations; fifth, promoting fairness in the electoral process; and, sixth, enhancing public confidence in the integrity of the electoral process.

I wish to focus my remarks on the fifth and sixth recommendations, which I believe are central to what we as policy makers should attempt to promote, that is, fairness and public confidence in our electoral process.

Honourable senators, a democratic right is of little value if it is not known to citizens and if that right is not explained in meaningful ways. For instance, a new Canadian's first experience with the Canadian political system should be open and encouraging — the individual should be welcomed to the process. The Royal Commission on Electoral Reform and Party Financing concluded that in many areas Elections Canada did not do this.

According to volume 4 of the commission's final report, many provisions of Canada Elections Act do not reflect Canada's multicultural mosaic. The commission concluded — and I quote, as follows:

The model that Elections Canada has at the moment assumes that you've been educated in Canada, you're familiar with what voting is all about, why you should vote, and how you do it. That is simply not the case for many voters. Instead, what they find are barricades, difficulties, and a lot of discouragement.

The commission recommended that Parliament consider clarifying the Canada Elections Act to make it a more understandable document. The act, according to the commission's final report, "is complex and vague, and some sections are subject to various interpretations. Thousands of volunteers need to access, comprehend, and understand the legislation which regulates the democratic process in this country. The current legislation makes this comprehension difficult."

With that in mind, honourable senators, consider one of the important issues raised by the Lortie commission, that is, the fact that compulsory voting laws in countries such as Australia are rarely enforced effectively because citizens must be given the benefit of the doubt when explaining why they did not vote.

After analyzing Australia's system of compulsory voting, our commission's final report noted that many Australians are prosecuted for voter absenteeism when they had a valid excuse for not being able to vote, while others are granted immunity from fines for reasons eventually proven to be erroneous. Overall, the Lortie commission found the enforcement of mandatory voting to be an inherently subjective and tedious exercise.

In conclusion, honourable senators, I strongly believe that Canadians should exercise their democratic right to vote, but I do not believe that Canadians should be legally forced to vote. Not only has mandatory voting been consistently rejected by Canadians — most recently in a 2000 poll by the Institute on Research and Public Policy that showed that 73 per cent of Canadians oppose mandatory voting — but also, as Senator Kinsella has stated, compulsory voting may also be antithetical to our Charter of Rights and Freedoms, which guarantees Canadians "the right to vote in an election of members of the House of Commons or of an legislative assembly."

Indeed, I would concur with Senator Kinsella, Senator Austin, the Lortie commission, Professor John Courtney and a number of other scholars and academics, as well as other honourable senators who sit in this chamber who have spoken against the enactment of mandatory voting legislation.

Honourable senators, the act of voting is the most fundamental and direct way in which citizens can participate in the democratic process, and it should not be done through coercion.

Hon. Terry M. Mercer: Will the honourable senator permit a question?

Senator Oliver: Yes.

Senator Mercer: Senator Oliver has spoken against Senator Harb's bill. However, he acknowledges that voter participation has been consistently declining over the last number of years.

Does Senator Oliver have another solution for this problem?

Senator Andreychuk: A new government.

Senator Mercer: I find that idea unacceptable, as would the majority in this chamber.

Short of mandatory voting, what is the solution to getting more people to vote, particularly young people?

Senator Oliver: I attempted to explain that in my remarks. I said that one of the conclusions reached by the Lortie commission was that there is a major problem with the Canada Elections Act. The Canada Elections Act is antiquated and outdated, and its language is difficult. I was a lawyer for the Progressive Conservative Party for almost 20 years, and during that time I was often involved in interpretation of that act. As the Lortie commission also concluded, that act is subject to many interpretations. When new and young Canadians enter the electoral process and get ready to vote for the first time, they have enormous difficulty understanding that process. One of the best and most important things we could do at the outset is to rewrite the Canada Elections Act so that it is clearer, more understandable and more user-friendly.

• (1450)

Senator Mercer: At one time I had the obligation of reading the Canada Elections Act and following the rules as closely as possible. I am not a lawyer so the honourable senator will have to enlighten me if is he suggesting that the Canada Elections Act be written in layman's terms as opposed to the current legalese of the cumbersome and lengthy document.

Senator Oliver: That is precisely what I am saying.

Senator Mercer: Senator Oliver, this would be revolutionary and could catch on. God forbid we would have laws that all could understand.

On motion of Senator Stratton, debate adjourned.

#### **BUDGET 2005**

# INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Kinsella calling the attention of the Senate to the budget presented by the Minister of Finance in the House of Commons on February 23, 2005.—(Honourable Senator LeBreton)

Hon. Marjory LeBreton: Honourable senators, I rise to participate in the inquiry of Senator Kinsella calling the attention of the Senate to the budget presented by the Minister of Finance in the House of Commons on February 23, 2005.

I will put on the record a few historical facts, but first I will begin by referring to a May 4 response of the Leader of the Government in the Senate to a legitimate question on the budget and financial situation of the country raised by my colleague the Honourable Senator Angus. The Leader of the Government said, "You have to be kidding," when Senator Angus referred to the record of the previous government. He made reference to Senator Angus as a Conservative senator launching into a matter of budgetary talks.

Honourable senators, listening to that answer of the Leader of the Government in the Senate, I decided to deliver a speech called "Words Unspoken" because it should have been delivered by the Leader of the Government in the Senate when, thanks to the Martin budget cuts and policies of the previous government, we saw the elimination of the federal deficit. He should have said:

"Today I propose to discuss with you the impressive strength of the Canadian economy and the elimination of the federal deficit. Because I claim to believe in truth in advertising, there are a few points I should like make before I launch into a defence of our record, a record that needs to be applauded."

"In all honesty, I must confess to you that Canada had no deficit in the late 1960s. Then, the Trudeau government, of which I was a member and a cabinet minister, began spending at a pace never before seen in Canadian history. The consequences were dynamic and dramatic. Over the 15 years that the Trudeau Liberals were in office, program spending increased by 15 per cent per year. As a consequence, the deficit skyrocketed from zero to \$38.5 billion, or 8.7 per cent of the GDP — the largest deficit in Canadian history."

"Our uncontrolled spending also resulted in exploding the national debt by over 1,000 per cent. During this period, when I was a Minister of State for Social Development and Minister Responsible for the Canada Development Investment Corporation, the Auditor General said that Parliament had 'lost control of the public purse.' Moreover, this bleak fiscal situation was aggravated by Liberal policies such as the NEP, the PGRT and FIRA, which devastated our energy sector, drove away investment and increased our external debt."

"When my Trudeau/Turner government was defeated in 1984, we had, as Ontario Liberal Leader David Peterson said, 'left one helluva mess' for the new Mulroney government, or, as the Honourable Jean Chrétien said at the time, 'We left the cupboard bare.'"

He should have continued:

"Honourable senators, the Mulroney government did not do everything right, but in the interest of fairness and honesty, some facts must be brought to the attention of senators. They reduced the rate of growth in program spending by 70 per cent and, in the process, eliminated the operational deficit of the federal government and cut the national deficit by one third. They eliminated the NEP, PGRT and FIRA and began a wave of privatizations that took over 90,000 employees off the federal payroll. They appointed John Crow as Governor of the Bank of Canada with instructions to wring inflation out of the system; and they succeeded."

"Most significantly, former Prime Minister Brian Mulroney led Canada to the free trade agreement with the United States and then to NAFTA, with the result that our exports to the United States have more than tripled and the percentage of our national wealth that accrued from international trade jumped from 25 per cent to well over 50 per cent of the GDP. Former Prime Minister Mulroney then revolutionized Canada's tax system by eliminating a hidden 13.5 per cent tax on all manufactured products and introduced a 7 per cent visible, up-front GST on consumption."

In his remarks, the honourable leader should have said:

"I must, in all honesty, tell the house that for nine years the Liberal Party, of which I was and am an eager member, voted against every one of these initiatives and every single reduction in government expenditures, even though I acknowledge now that they modernized the Canadian economy and laid the ground work for Canada's present success. This explains why we have reversed all of our positions on these major policies and now fully endorse the Mulroney agenda as our own."

"To be fair, by the time former Prime Minister Mulroney left office in June 1993, and in spite of a brutal recession twice as long as that of our American friends, the deficit as a percentage of the GDP had been cut by one third, employment had increased by 1.4 million, interest rates were at their lowest in 20 years, inflation at its lowest in 30 years, and the United Nations had just declared that in terms of quality of life, Canada was the number one country in the world in which to live."

• (1500)

"Little wonder that, in light of these achievements, professors Tom Velk and Al Riggs of McGill University, in a major economic analysis of federal government performance since the war, proclaimed Prime Minister Mulroney's government as the most successful of the last 35 years, while rating the Trudeau government as the worst."

"Although my party — the Liberal Party — demonized the former government and denigrated its achievements for electoral purposes, simple fairness and honesty now demand that I tell you the truth about his government before I ask you to believe what I have to say about mine."

That, honourable senators, is the speech Senator Austin should have given in response to the good news that the deficit was eliminated. That is what any principled member of the Liberal government should say — but a principled Liberal is a political oxymoron of stunning proportions.

Honourable senators, need I remind you that the two major initiatives of the former government have been the major factor in our current economic condition. Still may I remind you of Mr. Chrétien's words, when he said:

The Liberal government will dump the despised goods and services tax in two years.

That is a direct quote.

The tax is so inefficient that you have to move \$30 billion to have a net of \$15 billion.

If one looks at the real GST revenue figures, it is obvious that Mr. Chrétien did not know much about economics. In May 1994, with respect to the GST, he told the House of Commons:

It has driven a lot of the economy under the table. The black market is rampant and is growing all the time. We hate it and we will kill it. On free trade, Mr. Chrétien promised that the Liberals would renegotiate the terms of the North American Free Trade Agreement.

First renegotiate, if that fails, abrogate. The free trade agreement, we were not happy with it; we said we have to renegotiate that. The same thing with NAFTA, we are not happy with it, it is not a good deal. We need trade but this is not a good deal.

Those were the words of Mr. Chrétien.

Honourable senators will recall that the first Martin budget in 1994 was very poorly received and had further negative consequences on the finances of Canada. It was not until the 1995 budget when then Finance Minister Martin took drastic measures to address the debt and deficit issue in this country. That budget, interestingly enough, contained many measures that were in the 1993 Mazankowski budget.

In 1995, when Mr. Martin's budget finally addressed these issues, Canada's federal debt exceeded \$500 billion. The federal debt represented \$17,500 for every Canadian. With the provincial debt load added to it, that figure went up to \$24,000 for every Canadian.

During the Mulroney years, federal revenues nearly doubled. Had his government inherited no debt on coming into office, we would have had a balanced budget by 1987. Subtract everything paid in programs against the Mulroney government's total revenues in nine years, and you have a net operating surplus of \$1 billion.

Unfortunately, however, over the nine years of the Mulroney government, Canada sank deeper in debt — \$266 billion deeper — all because of the compounding interest on the debt we inherited from the Liberals.

Over the 16 months between the election of the Chrétien government in 1993 and the February 1995 budget, Canada added \$47 billion in debt. In Mr. Martin's first year as finance minister, Canada spent more than twice as much on the interest on the \$500 billion national debt as was spent annually on old age pensions.

For all the talk of restraint, Martin in his first year spent \$120 billion in government programs; that is \$20 billion more than was spent in 1988.

Honourable senators, I will end by quoting from a Global Insight analysis, which was reported in *The Globe and Mail* in November of 2003, about a year and a half ago. These are the writings of Dale Orr, director of the Canadian arm of Global Insight. He was reporting on the positive Canadian standard of living, and that is the happy truth. There was good news to report, and we all acknowledge that. Mr. Orr wrote:

...However, Mr. Chrétien can thank both good luck and Mulroney government policy choices — the free trade deal with the United States, the establishment of strict inflation targets and the introduction of the GST — for setting the stage for his Liberal government's successes.

The Globe and Mail's Eric Beauchesne wrote:

The report credited the Mulroney government's free trade deals, inflation targets and GST for doing profoundly more to boost Canada's economic potential than any of the Chrétien government's policies.

Mr. Beauchesne continued by quoting Mr. Orr as follows:

As far as fundamental economic policy decisions are concerned, a preliminary assessment is that the Chrétien administration made a less constructive contribution than that of the Mulroney administration but a less destructive contribution than that of the Trudeau administration.

Honourable senators, I certainly do not mind congratulating the former Minister of Finance for overseeing the recovery. Unfortunately, the government refuses to acknowledge the key role, if not the major role, in this good news story of former Prime Minister Brian Mulroney and his Ministers of Finance, Michael Wilson and Don Mazankowski. We wonder why people are cynical about politics. A little truth in politics would go a long way.

On motion of Senator Cochrane, debate adjourned.

# FOREIGN AFFAIRS

# COMMITTEE AUTHORIZED TO STUDY INTERNATIONAL POLICY STATEMENT

Hon. Peter A. Stollery, pursuant to notice of May 31, 2005, moved:

That the Standing Senate Committee on Foreign Affairs be authorized to examine and report on the documents Overview, Diplomacy, Development and Commerce of Canada's International Policy Statement, tabled in the Senate on April 19, 2005; and

That the Committee report to the Senate no later than March 31, 2006.

He said: This motion is self-explanatory. Honourable senators, the Foreign Affairs Committee has been asked by the ministers responsible for the documents to report, and that is what we intend to do. If anyone has any questions, I would be happy to answer them.

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, Senator Stollery stated that ministers of the federal government had asked his committee to examine these documents.

Senator Stollery: The ministers responsible asked the committee — and it has been discussed by the steering committee — if we would report on the documents on the new foreign policy review.

Senator Stratton: Is there any cost to this study?

Senator Stollery: I thank the honourable senator for his question. I am not aware that any costs will be incurred in this examination. It is a fairly straightforward matter. As senators are aware, the committee has been caught up in its study of Africa. We will make every effort to complete our examination of these documents as expeditiously as possible.

[Translation]

Hon. Pierre Claude Nolin: Honourable senators, as you know, this policy statement includes an important part on National Defence. Senator Stollery, do you intend to deal with that part?

Senator Stollery: It is not my intention to review the part on National Defence. There are four little books and the committee intends to review the three that relate to the Standing Committee on Foreign Affairs.

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to.

• (1510)

[English]

# COMMITTEE AUTHORIZED TO MEET DURING ADJOURNMENT OF THE SENATE

Hon. Peter A. Stollery, pursuant to notice of May 31, 2005, moved:

That the Standing Senate Committee on Foreign Affairs, in accordance with rule 95(3)(a) of the Rules of the Senate, be authorized to meet from July 12 to 14, 2005, inclusively, even though the Senate may be adjourned for more than a week.

He said: Honourable senators, this motion follows on the motion that we just passed. Again, I would be happy to answer any questions. If I may anticipate questions, I would advise that the time frame was the decision of the steering committee.

The Hon. the Speaker pro tempore: Is the house ready for the question?

Hon. Serge Joyal: Honourable senators, the committee will be called to sit during the week of July 14, which is midsummer. I understand that, with particular reference to travelling committees, there is a special call on the personnel of the Senate who accompany the committee. I am not referring to senators, but to the personnel, that is, the interpreters, the clerk and the staff. I believe that those people deserve a holiday too. Unless a matter of urgency compels us as a chamber to take a stand on an issue, the staff should have an opportunity to take a break some time, especially when they have been under dire pressure during the year.

This motion speaks to the dedication of the senators who want to work during summertime. The Senate may well be sitting that week, as a matter of fact. We do not know. However, normally, during July, we try to afford our generous and dedicated staff the opportunity to spend time with their families and to have a private life and to rest, so that when they come back in September they are regenerated and re-motivated to give us the best service and support they can. Did the committee take that into consideration before introducing this notice of motion?

Senator Stollery: Honourable senators, I would assure everyone that the committee has no intentions of travelling anywhere. The hearings will take place right here in this building. I am informed that the Senate intends to close down on July 15 so that staff will have a break. We certainly have every intention of adhering to that deadline.

I also would add that the steering committee will be meeting tomorrow. I have already discussed this with Senator Di Nino. We hope that we need not proceed with this motion and that our committee could meet during the last week of June. That would give us the option of meeting later if it is impossible to sit during the last week of June because we must deal with legislation. As I said, it is our intention to conclude our business by July 15. The Standing Senate Committee on Foreign Affairs has every intention of keeping to that timetable.

Hon. Terry Stratton (Deputy Leader of the Opposition): My question is to the Chair of the Standing Senate Committee on Foreign Affairs. Does he have the concurrence of the members of his committee, from both sides of this chamber, to sit during that time frame? I would be surprised to hear that there was unanimity amongst members of the committee to sit in July.

Senator Stollery: This is a decision of the steering committee. The members of the committee, and I include myself amongst them, are not enthusiastic about sitting in July. However, it is fair to say that the Senate has been operating on a fairly flexible schedule for the last few weeks. This is our position. This is the worst-case scenario. The members of the committee understand that. It was a unanimous decision of the steering committee.

Hon. Bill Rompkey (Deputy Leader of the Government): I should like to comment on the point raised by Senator Joyal, which is a valid point and well taken. Discussions have taken place with the table officers and the administration of the Senate. It is fair to say, as well, that both sides of the chamber have been involved in those discussions.

It is our collective position that no standing committee meetings should be held after July 15 up until the Labour Day weekend. There should be a hiatus in that period. Our understanding is that, if that policy is followed, it will be respectful of our staff who have built up a lot of overtime and leave and who have given of themselves faithfully and diligently to do their work and, at the same time, committees will have an opportunity to do their work.

Senator Stratton: Honourable senators, I would agree with Senator Rompkey. Indeed, the agreement that was worked out on both sides was not to have any committees sit after July 15 up until Labour Day. The administration also requested that there be

no sittings until we resume after the summer break. If at all possible, we should try to meet that request. I know that one committee may run into trouble and be unable to complete its work. However, I would respectfully request that committees should consider meeting when we resume after Labour Day.

The Hon. the Speaker pro tempore: Are senators ready for the question?

Hon. Senators: Question!

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.

[Translation]

# NATIONAL SECURITY AND DEFENCE

MOTION TO AUTHORIZE COMMITTEE TO MEET DURING SITTING OF THE SENATE— **DEBATE ADJOURNED** 

Hon. Pierre Claude Nolin, pursuant to notice of June 7, 2005,

That the Standing Senate Committee on National Security and Defence have power to sit on June 20, 21 and 22, 2005, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto;

That if the Senate has adjourned for a period exceeding one week, the Standing Senate Committee on National Security and Defence be empowered, in accordance with Rule 95(3), to sit on June 20, 21 and 22, 2005.

He said: Honourable senators, after consulting its members, the committee reached a consensus that allows it to meet before July 15 in order to undertake the correction of the first version of the first volume of the report on Canada's defence policy, which it intends to submit in the fall.

The committee needs three days to complete this process. The three dates mentioned are those that were agreed to by committee members.

I move that this motion be adopted.

[English]

Hon. Bill Rompkey (Deputy Leader of the Government): Could we have an explanation from Senator Nolin? Could he explain why the committee needs to sit on those particular dates?

Senator Nolin: As you know, the committee has been asked to report on the Canadian defence policy. It will be a lengthy report, and the committee has decided to tackle the task by volume instead of preparing one huge report. The report will comprise more than one volume.

• (1520)

The first volume will probably be tabled in this chamber by the end of September. The first draft must be reviewed by the members of the committee, and those are the only three dates that are acceptable to all members of the committee, keeping in mind our request that the committee not sit between July 15 and Labour Day.

Senator Rompkey: My other concern is the likelihood of votes on those dates. I think we should add to the motion the caveat that committee members must be present in the chamber for votes, should they be called on those dates.

Senator Nolin: The committee will definitely afford members who want to attend a vote the time to do so. Each member will decide whether to attend the chamber for votes. Every senator has the privilege of voting or not voting.

Senator Rompkey: We would prefer that the committee meeting be suspended should there be a vote in the chamber.

Senator Nolin: The meetings will be suspended.

An Hon. Senator: What if the committee is away from Ottawa?

Senator Nolin: We will be meeting within the National Capital Region.

Hon. Terry Stratton (Deputy Leader of the Opposition): Should we have votes, my concern is that sufficient time be afforded to senators to get to the chamber in order to participate. If the committee is meeting within the parliamentary precinct, there would have to be a minimum of a one-hour bell for every vote.

Senator Nolin: There is no rule that forces us to meet within the parliamentary precinct. We are meeting within the boundaries of the National Capital Region, and a one-hour bell would be suitable.

Senator Rompkey: The committee is the master of its own business, but it is a creature of the chamber. If the chamber decides that there will be a vote at a certain time, that vote trumps any business of the committee.

Senator Nolin: We agree.

Senator Rompkey: With regard to where the committee is meeting, it is the responsibility of the committee to adhere to the motions of the chamber and to be present when called upon for votes or otherwise.

Hon, Noël A. Kinsella (Leader of the Opposition): Does the government hold the majority on this committee?

Senator Rompkey: Yes.

[Translation]

Senator Nolin: I can assure honourable senators that the committee will suspend its work to allow all the committee members to be present if a vote is called in this chamber.

[ Senator Stratton ]

[English]

**The Hon. the Speaker** *pro tempore*: Is it your pleasure, honourable senators, to adopt the motion?

Senator Rompkey: I wonder whether honourable senators would agree to amend the motion to read that the committee hold itself responsible for being present in the chamber on motions of the chamber that include votes or otherwise.

The Hon. the Speaker pro tempore: Senator Rompkey, may I have that amendment in writing?

**Senator Stratton:** Is it not in the *Rules of the Senate* that when there is a vote, all committees are suspended until the vote has taken place?

Senator Robichaud: No.

**Senator Stratton:** I would appreciate clarification on that question. It is my understanding that the work of committees is to be suspended when a vote is called. If that is the case, we do not need this amendment.

The Hon. the Speaker pro tempore: Honourable senators, I have been advised that there is no such rule but that that has been the practice.

On motion of Senator Stratton, debate adjourned.

[Translation]

MOTION TO AUTHORIZE COMMITTEE
TO MEET DURING ADJOURNMENT OF THE SENATE—
DEBATE ADJOURNED

Hon. Pierre Clause Nolin, pursuant to notice of June 7, 2005, moved:

That the Standing Senate Committee on National Security and Defence be empowered, in accordance with rule 95(3), to sit on September 14, 15 and 16, 2005, even though the Senate may then be adjourned for a period exceeding one week.

He said: Honourable senators, for the same reasons I provided earlier, the voluminous reports that we are to prepare for you require an exhaustive review by the committee members.

We intend to meet, if you agree, on these dates. We fear September might be too late to act since we do not know when the Senate will resume sitting in September. That is why we are requesting permission to sit on these three dates.

[English]

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, as I stated earlier, both sides have agreed that no committees will sit between July 15 and Labour Day. The administration has also requested that, if possible, no committees

meet until we resume sitting in September. Is there any reason that the committee cannot comply with this request by the administration?

[Translation]

Senator Nolin: This is the first we have heard about this little arrangement, the request by the administration not to have to work before we resume sitting. The date has not been determined, and we have a report to write. All members of the committee have given their consent, and those three dates suit everyone. We were aware that both sides of the chamber had agreed not to sit between July 15 and the Tuesday following Labour Day. The honourable senator is adding something new. He is asking for a longer adjournment. We were not aware of this.

[English]

Hon. Tommy Banks: Honourable senators, in response to what Senator Stratton has said, it is appropriate, if not required, that I say that the Standing Senate Committee on Energy, the Environment and Natural Resources has, in response to the admonition that we not meet between July 15 and Labour Day, planned for a very long time not to hold meetings but to conduct a fact-finding mission to Europe leaving on September 6. Those plans have been in place for some time.

On motion of Senator Rompkey, debate adjourned.

COMMITTEE AUTHORIZED TO EXTEND DATE OF FINAL REPORT ON STUDY OF VETERANS' SERVICES AND BENEFITS, COMMEMORATIVE ACTIVITIES AND CHARTER

Hon. Michael A. Meighen, pursuant to notice of June 7, 2005, moved:

That notwithstanding the Order of the Senate adopted on November 4, 2004, the date for the presentation of the final report by the Standing Senate Committee on National Security and Defence on veterans' services and benefits, commemorative activities and charter, be extended from June 30, 2005, to March 31, 2006.

He said: Honourable senators, none of the dates mentioned in this motion fall within the sacrosanct period. I hope you will not search for other reasons to deny this motion.

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion?

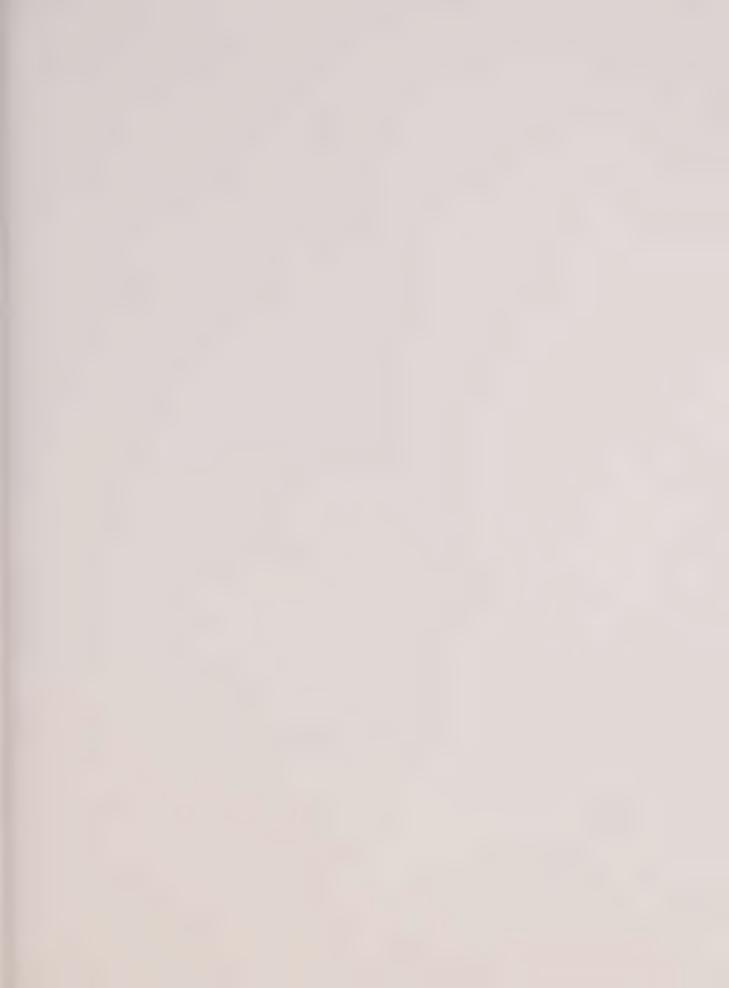
Motion agreed to.

The Senate adjourned until Thursday, June 9, 2005, at 1:30 p.m.

# CONTENTS

# Wednesday, June 8, 2005

PAGE	PAGE
SENATORS' STATEMENTS	Privy Council Indian Residential Schools Resolution—Funding of Settlements Pending Report of Government Representative.
The Aga Khan Congratulations on Being Awarded the Companion of the Order	Question by Senator St. Germain.  Hon. Bill Rompkey (Delayed Answer)
of Canada. Hon. Mobina S. B. Jaffer	Energy, the Environment and Natural Resources Personal Watercraft Bill—Notice of Motion to Authorize Committee to Refer Documents from Previous Sessions to its Study on Bill S-12.
World Environmental Day	Hon. Tommy Banks
Hon. Joseph A. Day	ODDEDS OF THE DAY
Girl Guides of Canada Ninety-fifth Anniversary Celebrations.	ORDERS OF THE DAY
Hon. Nancy Ruth	Economic Development Agency of Canada for the Regions of Quebec Bill (Bill C-9) Second Reading.
Hon. Madeleine Plamondon	Hon. Pierre Claude Nolin
QUESTION PERIOD	Spirit Drinks Trade Bill (Bill S-38) Second Reading—Debate Adjourned. Hon. Grant Mitchell. 1422 Hon. Jack Austin 1424
Canada-United States Relations	Hon. Francis William Mahovlich. 1424
North Dakota—Devil's Lake Diversion.  Hon, Terry Stratton	Canada Elections Act (Bill S-22) Bill to Amend—Second Reading—Debate Continued. Hon. Donald H. Oliver
Hon. Jack Austin	Hon. Terry M. Mercer
Industry Debit Card Fraud. Hon. Donald H. Oliver	Budget 2005 Inquiry—Debate Continued. Hon. Marjory LeBreton
Hon. Jack Austin	Foreign Affairs
Health Compensation to Hepatitis C Victims.	Committee Authorized to Study International Policy Statement.  Hon. Peter A. Stollery
Hon. Ethel Cochrane	Hon. Pierre Claude Nolin
Social Development Efficacy of Support Program to Combat Poverty.	Hon. Serge Joyal       1429         Hon. Terry Stratton       1429         Hon. Bill Rompkey       1429
Hon. Jean-Claude Rivest. 1418 Hon. Jack Austin 1418	National Security and Defence
The Senate Conflict of Interest Code—Composition of Review Body.	Motion to Authorize Committee to Meet During Sitting of the Senate—Debate Adjourned. Hon. Pierre Claude Nolin
Hon. Marcel Prud'homme	Hon, Bill Rompkey
Delayed Answers to Oral Questions Hon. Bill Rompkey	Hon. Noël A. Kinsella
Citizenship and Immigration	Hon. Pierre Clause Nolin143Hon. Terry Stratton143Hon. Tommy Banks143
Citizenship Status of Spouses and Children of Veterans Who Married Overseas.  Question by Senator Ringuette.	Committee Authorized to Extend Date of Final Report on Study of Veterans' Services and Benefits, Commemorative
Hon. Bill Rompkey (Delayed Answer)	Activities and Charter. Hon. Michael A. Meighen









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CANADA

# Debates of the Senate

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38th PARLIAMENT

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OFFICIAL REPORT (HANSARD)

Thursday, June 9, 2005

THE HONOURABLE SHIRLEY MAHEU SPEAKER PRO TEMPORE

# **CONTENTS**

(Daily index of proceedings appears at back of this issue).



# THE SENATE

Thursday, June 9, 2005

The Senate met at 1:30 p.m., the Speaker pro tempore in the [Translation] chair.

Prayers.

# SENATORS' STATEMENTS

#### **HEALTH**

SUPREME COURT OF CANADA—DECISION INVOLVING SERVICE STANDARDS

Hon. Marjory LeBreton: Honourable senators, I rise to congratulate my Senate colleagues on all three sides of the chamber, past and present, who have served on the Standing Senate Committee on Social Affairs, Science and Technology for their enormous contribution to public policy. As senators are probably aware, the Supreme Court of Canada today released a decision that in large part is based on our 2002 report on the acute health care system in Canada. Our report entitled The Health of Canadians The Federal Role: Final Report: Volume Six: Recommendations for Reform showed that there are solutions to our health care problems that do not necessitate the establishment of a parallel private system, but rather that it was the obligation of government to provide health care service.

The court has recognized that governments have an obligation to meet reasonable service standards and not allow waiting times to harm the well-being of individual Canadians. I quote from the Supreme Court decision:

The evidence...shows that delays in the public health care system are widespread, and that, in some serious cases, patients die as a result of waiting lists for public health care.

I, along with my Senate colleagues who intervened in this case at this time last year, believe this will help force governments to provide timely services and improve health care for all Canadians.

The court observed that it is, and I quote again from the decision:

...only the very rich, who can afford private health care without need of insurance, to secure private care in order to avoid delays in the public system.

Although the court said, "The public policy objective of "health care to a reasonable standard with a reasonable time" is not a legal principle of fundamental justice", as stated before we found otherwise.

We were happy that the Supreme Court of Canada accepted our recommendations in this regard, and I particularly want to single out three colleagues who are no longer in the chamber with us: Senators Robertson, Morin and Roche. On behalf of all committee members, I am very pleased that our position was taken so seriously by the Supreme Court of Canada.

Hon. Senators: Hear, hear!

# CANADIAN RADIO-TELEVISION AND TELECOMMUNICATIONS COMMISSION

AUTHORIZATION OF ITALIAN CHANNEL

Hon. Marisa Ferretti Barth: Honourable senators, the Italian community has received great news. The CRTC has made history by announcing that it has approved the RAI Italian public network for digital distribution by cable television and satellite service providers. I am very pleased with this CRTC decision. The Italian community will now have access to Italian language television 24 hours a day. Canada is thereby joining the many countries which were already broadcasting RAI International programming. A highly cultural bridge has just been put in place between our country and Italy.

Italian Canadians will be able to enjoy a television channel that brings them closer to their native country. RAI will also plunge the younger generations, those who were born in Canada, into an Italian universe, thereby helping them preserve their heritage and their very beautiful Italian language.

I want to take this opportunity today to thank the members of Parliament, particularly the Minister of Canadian Heritage, the Honourable Liza Frulla, who listened to her community.

[Editor's Note: Senator Ferretti Barth continued in Italian.]

Honourable senators, like me, she is an Italian. So, I want to thank her and I am very happy that she listened to her community. I would also like to acknowledge the outstanding work of numerous Italian organizations which have consistently forged ahead with this plan, in spite of the difficulties encountered.

I also want to thank our Italian-speaking friends —

[Editor's Note: Senator Ferretti Barth continued in Italian.]

— who never gave up hope of finding some small piece of their history on television. These older people have always supported this cause, and many of them even came to Ottawa to raise members' awareness of the importance of an exclusively Italian-language television channel. Finally, many thanks to those who have contributed directly or indirectly to this good cause.

[English]

# **ROUTINE PROCEEDINGS**

# THE ESTIMATES, 2005-06

# FOURTH INTERIM REPORT OF NATIONAL FINANCE COMMITTEE PRESENTED

Hon. Donald H. Oliver, Chairman of the Standing Senate Committee on National Finance, presented the following report:

Thursday, June 9, 2005

The Standing Senate Committee on National Finance has the honour to present its

## THIRTEENTH REPORT

Your Committee, to which was referred the Estimates 2005-2006, has, in obedience to the Order of Reference of Monday, March 7, 2005, examined the said estimates and herewith presents its fourth interim report.

Respectfully submitted,

### DONALD H. OLIVER Chairman

(For text of report, see today's Journals of the Senate, Appendix, p. 987)

The Hon. the Speaker pro tempore: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Oliver, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

• (1340)

[Translation]

## CANADA SHIPPING ACT CANADA SHIPPING ACT, 2001 CANADA NATIONAL MARINE CONSERVATION AREAS ACT OCEANS ACT

# BILL TO AMEND—REPORT OF COMMITTEE

Hon. Joan Fraser, Chair of the Standing Senate Committee on Transport and Communications, presented the following report:

Thursday, June 9, 2005

The Standing Senate Committee on Transport and Communications has the honour to present its

# SEVENTH REPORT

Your Committee, to which was referred Bill C-3, An Act to amend the Canada Shipping Act, the Canada Shipping Act 2001, the Canada National Marine Conservation Areas Act and the Oceans Act has, in obedience to the Order of

Reference of Thursday, April 14, 2005, examined the said Bill and now reports the same without amendment. Your Committee appends to this report certain observations relating to the Bill.

Respectfully submitted,

# JOAN FRASER

(For text of report, see today's Journals of the Senate, p. 979.)

**The Hon. the Speaker** *pro tempore*: Honourable senators, when shall this bill be read the third time?

On motion of Senator Moore, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

[English]

# RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

# FOURTH REPORT OF COMMITTEE PRESENTED

Hon. David P. Smith, Chair of the Standing Committee on Rules, Procedures and the Rights of Parliament, presented the following report:

Thursday, June 9, 2005

The Standing Committee on Rules, Procedures and the Rights of Parliament has the honour to present its

## FOURTH REPORT

Pursuant to its order of reference dated May 31, 2005 from the Senate your Committee is pleased to report as follows.

1. On May 31, 2005, the Senate adopted a motion by Senator Banks that the following question be referred to your Committee:

That the *Rules of the Senate* be amended in Rule 96 by adding, in subsection (7), the following:

In particular, clause-by-clause consideration of legislation shall not be dispensed with unless with leave.

- 2. On June 7, 2005, your Committee heard from Dr. Gary O'Brien, Deputy Clerk and Principal Clerk of the Senate, and Dr. Heather Lank, Principal Clerk, Committees Directorate of the Senate.
- 3. On May 18, 2005, a point of order had been raised in the Senate with respect to Bill C-15, An Act to amend the Migratory Birds Convention Act, 1994, and the Canadian Environmental Protection Act, 1999. At a meeting the previous day, the Standing Senate Committee on Energy, the Environment and Natural Resources had, by a majority vote of seven to three, adopted a motion to dispense with clause-by-clause consideration of the bill and to report unamended to the Senate. The Committee had, accordingly,

reported the bill without amendment, but with observations. After a lengthy debate in the chamber, the Speaker pro tempore ruled that, while committees are regarded as the masters of their own proceedings, the motion to dispense with clause-by-clause of a bill appeared to be irregular, in that it had the effect of preventing members of the committee from having the ability to move amendments. The Speaker pro tempore did not feel that she had the authority to undo decisions that had already been taken by the committee and accepted by the Senate. However, the Speaker indicated that your Committee might wish to consider the practice with respect to clause-by-clause consideration of a bill, and the advisability that it be dispensed with through leave, rather than by motion, to ensure that no rights to which a Senator is entitled are unduly infringed.

- 4. Your Committee has reviewed the procedures and practices in the Senate and in other legislative bodies, and has considered various procedural authorities. The role of a committee to which a bill has been referred is to review the text in detail, and to approve it or to consider such changes as may be necessary or desirable to reflect the committee's legislative intentions. It is the right of any Senator to propose amendments to individual clauses, or to insist on the formal procedure whereby each clause of the bill is considered separately. There are times when for legitimate reasons the members of the committee are prepared to modify this procedure, but it can only be done with the agreement and consent of all members of the committee who are present. Your Committee notes the practice of Senate Committees whereby appropriate notice is given to the members of a committee before commencing clause-byclause consideration of a bill.
- 5. After a careful consideration of the issues involved, your Committee agrees with the principles underlying the proposal of Senator Banks. We believe that this amendment to the rules respects the rights of all Senators, and the traditions of the Senate.
- 6. Your Committee has agreed to recommend a slight modification of Senator Banks' proposed rule change. We agree that this will clarify the situation for the future, and avoid any ambiguity, while at the same time achieving a balance between committees being masters of their own proceedings and the rights of individual Senators. Senator Banks has indicated that the re-worded provision is in keeping with the spirit and intent of his original motion.

Your Committee recommends that the *Rules of the Senate* be amended by adding after subsection (7) of Rule 96 the following:

(7.1) Except with leave of its members present, a committee cannot dispense with clause-by-clause consideration of a bill.

Respectfully submitted,

DAVID P. SMITH Chair The Hon. the Speaker pro tempore: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Smith, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

# DEPARTMENT OF SOCIAL DEVELOPMENT BILL

#### FIRST READING

The Hon. the Speaker pro tempore informed the Senate that a message had been received from the House of Commons with Bill C-22, to establish the Department of Social Development and to amend and repeal certain related Acts.

Bill read first time.

The Hon. the Speaker pro tempore: Honourable senators, when shall this bill be read the second time?

On motion of Senator Carstairs, bill placed on the Orders of the Day for second reading two days hence.

# HAZARDOUS MATERIALS INFORMATION REVIEW ACT

### BILL TO AMEND—FIRST READING

Hon. Bill Rompkey (Deputy Leader of the Government) presented Bill S-40, to amend the Hazardous Materials Information Review Act.

Bill read first time.

The Hon. the Speaker pro tempore: Honourable senators, when shall this bill be read the second time?

On motion of Senator Rompkey, bill placed on the Orders of the Day for second reading two days hence.

[Translation]

# OFFICIAL LANGUAGES

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO EXTEND DATE OF FINAL REPORT ON STUDY OF OPERATION OF OFFICIAL LANGUAGES ACT AND RELEVANT REGULATIONS, DIRECTIVES AND REPORTS

Hon. Eymard G. Corbin: Honourable senators, I give notice that at the next sitting of the Senate, I will move:

That, notwithstanding the Order of the Senate adopted on November 3, 2004, the date for the presentation of the final report by the Standing Senate Committee on Official Languages on the application of the *Official Languages Act* be extended from June 15, 2005, to June 15, 2006.

[English]

# LIFE OF MARGARET ANN MICK

# NOTICE OF INQUIRY

Hon. Lorna Milne: Honourable senators, pursuant to rule 56, I give notice that at the next sitting of the Senate:

I will call the attention of the Senate to the life of Margaret Ann Mick, the first female Peace Officer killed in the line of duty in Canada.

## CONFERENCE BOARD OF CANADA

REPORT ON MAXIMIZING TALENTS OF VISIBLE MINORITIES—NOTICE OF INQUIRY

Hon. Donald H. Oliver: Honourable senators, pursuant to rule 57(2), I give notice that on Wednesday, June 15, 2005:

I will call the attention of the Senate to a new report: Business Critical: Maximizing the Talents of Visible Minorities, An Employers Guide, and how this study by the Conference Board of Canada can lead to fundamental changes in the hiring and promotion of visible minorities in the public and private sectors, including the Senate of Canada.

# **QUESTION PERIOD**

#### **HEALTH**

SUPREME COURT DECISION INVOLVING SERVICE STANDARDS—GOVERNMENT RESPONSE

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, my question is to the Leader of the Government in the Senate. As indicated in Senator LeBreton's statement, an important decision was rendered by the Supreme Court of Canada affecting medicare in Canada. Medicare, as we know it, has been subjected to a fair amount of questioning in terms of underfunding by this government. Can the Leader of the Government advise this house as to the intent of the Government of Canada in its response to this decision?

Hon. Jack Austin (Leader of the Government): Honourable senators, I should like to concur with the remarks of Senator LeBreton made in Senators' Statements with respect to the work of our Standing Senate Committee on Social Affairs, Science and Technology and its important and famous recommendations, including the health guarantee.

• (1350)

The Supreme Court of Canada has clearly acknowledged in this decision that there are reasons in law to consider what steps should be taken to provide timely health care to Canadians.

The case is known as Chaoulli and Zeliotis v. the Attorney General of Quebec and Attorney General of Canada, although the case was based on interpreting the Health Insurance Act and the Hospital Insurance Act in Quebec, which prohibit private insurers from covering health services that are publicly insured by the Régie de l'assurance maladie du Québec. The appellants alleged that the restrictions imposed by that legislation and the Quebec Charter violated their right to life, liberty and security of the person under the Quebec Charter and under section 7 of the Canadian Charter of Rights and Freedoms. The lower courts — the Superior Court of Quebec and the Court of Appeal of Quebec — dismissed these cases.

However, on appeal, the Supreme Court of Canada ruled four-to-three that the provisions of the Quebec statutes and the Quebec Charter unduly limited rights to health care. With respect to the Canadian Charter the court was divided. Therefore, there is no opinion on whether the Canadian Charter is in any way a bar to the application of the appellants.

The judgment is long and detailed and will take some time to understand in its entirety. However, in the realm of public policy, and perhaps even in politics, this issue will clearly gain the renewed attention of the public.

Senator Kinsella: Honourable senators, I am glad the minister has recognized and stated that political decisions are very much part of the crisis that currently exists in the health care system in Canada. Some of those political decisions were taken by his Prime Minister when he was the Minister of Finance. For over a decade, the government made major cuts to health care in Canada. As a result, the issue of timeliness of care became a crisis with which the courts were seized, and the Supreme Court has made an important decision on that.

We are of the view that the current government has broken the system and that it needs to be fixed. We should like to hear what specific plans the government has to fix the broken public health care system.

Senator Austin: Honourable senators, thereupon hangs a considerable debate in Canadian public life. First, the health care of Canadians is administered by the provinces, and the provinces make the decisions on how to deliver health care, not the federal government.

Second, we could go on exchanging views, to no good effect, about how the public debt of Canada was increased dramatically by the Mulroney government and the importance of the steps taken by the Minister of Finance of the day, the Honourable Paul Martin, as he then was, to deal with a debt that could have ruined the entire economy of Canada and ended health care in Canada.

Under Prime Minister Chrétien and Finance Minister Martin, we took the necessary steps that the Mulroney government avoided, for their own political reasons, to put the economy back in the best condition of any economy of any developed country today. We brought in eight consecutive budgets that were not based on borrowing and deficits. We reduced the debt-to-equity ratio by more than half.

Senator Stratton: Thanks to the GST.

Senator Austin: These measures were taken by the Chrétien government and Paul Martin as Minister of Finance.

I am aware that, in her speech on the inquiry with regard to the budget, Senator LeBreton argued that the Mulroney government laid the foundation for the recovery of the Canadian economy. That is one of the most amazing arguments I have heard in a very long time, and I intend to reply to it during the budget debate.

Senator LeBreton: I was quoting The Economist.

Senator Austin: Honourable senators, now that I have chased Senator Kinsella's red herring all over the carpet, I do want to answer the serious part of his question.

Everyone in this chamber, and probably in Canada, knows by now that the federal government, in agreement with the provinces, has undertaken to transfer \$41 billion over the next 10 years to the provinces in order to deal with timely care for Canadians. We did not blame the provinces. We are not even blaming the Mulroney government, although they deserve to be blamed. We did the job that Canadians needed done.

Some Hon. Senators: Hear, hear!

Senator Austin: Obviously, we as a government anticipated the problem, although it stared every Canadian in the face. The Senate addressed the problem in what I think is one of the finest analytical studies on health care of any time. I look forward to hearing the views of our colleague Senator Kirby when his committee returns to Ottawa after its study on mental health care.

The federal government and the provinces will meet to discuss the implications of the *Chaoulli* case and to design a single-payer system based on the Canadian health model and the health guarantee laid out by the Senate committee.

Senator Kinsella: Honourable senators, having heard the honourable minister's apology for the failed health program of his government, we remind the honourable senator that the last 12 years, starting with a cut of some \$25 billion from the health delivery system, is what caused the long waiting periods in the provinces.

If that, honourable senators, is the record of what the government has done during the past 12 years, how many years will Canadians have to wait for the deliverables under the so-called "health care fix for generations"?

**•** (1400)

Senator Austin: Honourable senators, I wonder if I could give some advice to the opposition from the secret Liberal handbook?

Some Hon. Senators: Oh, oh.

Senator Austin: Have honourable senators seen the reports in today's papers with respect to the increase in support for the Liberal Party and the decline in support for the Conservative

Party? Does it occur to anyone on the other side that there must be a reason for that? It appears that the Conservative side does not understand that Canadians want to get on with problem solving and to stop complaining about the past.

#### ALBERTA—EFFICIENCY OF HEALTH CARE SYSTEM

Hon. Leonard J. Gustafson: Honourable senators, can the government leader explain why Alberta has the most advanced medical system in Canada, by far, and why senior citizens get much more in Alberta than they do in, for example, Saskatchewan?

Hon. Jack Austin (Leader of the Government): Honourable senators, first, I agree with Senator Gustafson that Alberta has an excellent health care system. As honourable senators are aware, Alberta has an excellent economy, based on not only its oil and gas but other resources as well. Alberta is not running a deficit, and will soon have its debt paid off. There may be some reasons of explanation in what I have said.

#### **FINANCE**

#### **BUDGET 2005—EMPLOYMENT INSURANCE ACCOUNT**

Hon. Gerald J. Comeau: Honourable senators, Bill C-43 made it out of committee today and was reported to the House. The employment insurance chief actuary recommended that an EI level based on the economic forecast of the Minister of Finance be made without regard to the surplus in the EI account.

When the EI account was established almost a decade ago, the finance minister of the day, Paul Martin, said that the purpose of the account was to build a cushion against future increases. What was not said at the time was that the account would be used to reduce the deficit, along with \$25 billion in cuts to health care.

Can the Leader of the Government in the Senate advise the Senate as to what the government intends to do with the \$47 billion in the Employment Insurance account? Would it be fair to conclude that the money will not be used to prevent or reduce future EI increases, that the money was originally collected under false pretences in order to reduce the deficit?

Hon. Jack Austin (Leader of the Government): Honourable senators, this is an old chestnut — as they said in Victorian times — and I have replied time and again to this question that the government stands behind the Employment Insurance fund with its entire balance sheet. All the resources of Canada back the demands of Canadians who use that fund.

Senator Comeau: Honourable senators, that was not the main point that I was raising, but we will go on. This surplus will continue to be reported in the accounts. Will this \$47 billion continue to be reported year after year in the accounts as a reminder of the \$47 billion pretext, or will the government find some way to get it off the accounts some time in the future, and how will that be done?

Senator Austin: Honourable senators, I believe Senator Comeau is aware that there are measures in the other place that deal with this particular problem.

## ACCURACY OF FINANCIAL FORECASTS

Hon. Gerald J. Comeau: Honourable senators, one of our continuing concerns is that the accuracy of the estimates passed on to the actuary is based on the forecast of the Minister of Finance and that these forecasts have been grossly understated. I am talking about huge numbers.

The opposition in the other place asked for the estimates to be passed on to an independent estimator rather than the Minister of Finance, who continues to make faulty forecasts year after year. Why would the government refuse to go to an independent forecaster and continue to rely on the inaccurate estimates of the Minister of Finance?

Hon. Jack Austin (Leader of the Government): Honourable senators, I thought Senator Comeau was aware of the statements of the Minister of Finance with respect to this matter; that is, that 10 different economists are asked to make forecasts and then those forecasts are averaged by the Department of Finance. Those forecasts, as well as any comments with respect to the way in which they think the economy will grow, are made public.

The Bank of Canada has an econometric computer model that calculates the Canadian economy and its performance. It, too, is part of the forecasting that is available to the economic community.

There are really no secrets with respect to the basic data, but different economists give weight in different ways to different factors in the economy, depending on what economic schools they have decided to represent. We will never get a uniform forecast as to how the future will unfold on which everyone will agree, but the Government of Canada does not rely only upon its own internal calculations. The government puts out an aggregated forecast of a number of private-sector economists.

#### NATIONAL REVENUE

CANADA REVENUE AGENCY—
TAXATION OF RED CROSS HIV TAINTED BLOOD
COMPENSATION FUND

Hon. Marjory LeBreton: Honourable senators, my question is for the Leader of the Government in the Senate and concerns the Red Cross compensation fund for people who contracted HIV through tainted blood.

Former Supreme Court Justice Peter Cory, the trustee of the fund, has told *The Globe and Mail* that the federal government has taxed the new investment income that has been earned on the original amount placed in private trust for victims.

As of the end of 2004, the federal government has collected over \$2.3 million in taxes from the fund. Mr. Cory said that this is immoral and is calling upon the federal government to do the right thing and to put a halt to taxation of the fund as soon as possible.

Could the Leader of the Government in the Senate tell us whether the federal government will follow the advice of Mr. Cory and cease the taxation of this fund?

Hon. Jack Austin (Leader of the Government): Honourable senators, I wish to emphasize a point that Senator LeBreton made, that is, that the question relates to taxation of income earned by the trust in question. In Canada all foundations and trusts, without distinction or discrimination, pay tax on their income. There is no exception or exemption for any particular charitable trust. The question is not just one of would it not be nice if this particular trust had a tax-free status — and it would be nice — but the tax-free status of literally hundreds of foundations and trusts that hold money for charitable and remedial purposes.

Honourable senators, the government has noted Mr. Cory's representations, and at this moment I do not have a further response to give to the request.

**Senator LeBreton:** Honourable senators, Mr. Goodale, the Minister of Finance, has said that the government is weighing whether an exemption should be made in this case contrary to the rules that apply to every other private trust.

Mr. Cory claims that a precedent has already been set, as trust funds set up for persons who contracted hepatitis C through tainted blood have been exempted from taxes for several years. Could the Leader of the Government in the Senate confirm whether Mr. Cory's claim is valid? If so, why is the federal government reluctant to extend the same exemption to persons who contracted HIV from tainted blood as it did for the people who contracted hepatitis C?

• (1410)

Senator Austin: Honourable senators, the contribution to the trust for the beneficiaries of hepatitis C was made by the Government of Canada. Its capital was created by the Government of Canada.

With respect to the trust to which Mr. Cory refers, those were contributions made by Canadian citizens. It is not the practice of the government to charge interest on capital which is contributed by Parliament.

### **HEALTH**

MANITOBA—CHRONIC DISEASE PREVENTION INITIATIVE—FEDERAL CONTRIBUTION

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, my question is for the Leader of the Government in the Senate. In 2003, the Province of Manitoba asked the federal government to match its commitment of \$8 million over five years to a chronic disease prevention initiative. Recent reports have stated that the federal government would offer the province considerably fewer dollars; reportedly, the amount is \$3 million over five years.

As a result of the lack of federal support, the Government of Manitoba has said that it will have to go ahead with a reduced version of the initiative which focuses on community programs aimed at preventing disease and poor health. Could the Leader of the Government tell us why the federal government will not adequately support this initiative?

Hon. Jack Austin (Leader of the Government): Honourable senators, I have no information on the nature of the programs involved. Senator Stratton refers to community programs. If he has further information he can give me privately, I would be happy to pursue his inquiry to see whether I can provide him with a full response.

Senator Stratton: Honourable senators, when Canada hosted a World Health Organization chronic disease forum last November, the federal government made much of its commitment to preventive medicine. In March, the Minister of State for Public Health began a process to determine a set of national health goals that the government says will prevent chronic disease. Despite these public displays, when it came time to supply funding for an initiative that could yield positive results in this area, the federal government would not provide Manitoba with a sufficient amount of money to carry out its plans in full. After much public trumpeting by the federal government, why would the federal government not be willing to back up its words with actual funding?

Senator Austin: Honourable senators, hopefully Senator Stratton will expect us to do proper due diligence on the request, the nature of it, the way in which it will be administered, and the benchmarks to discover whether the use of funds has been effective in the terms of the program. Those are all issues that the government will have to consider.

In the absence of knowing any details that would respond to the questions of the honourable senator, I will again make my offer to pursue the matter if Senator Stratton will tell me more specifically what he has in mind.

# TRANSPORT

#### INFRASTRUCTURE PROGRAM— CONTRIBUTIONS TO WESTERN CANADA

Hon. Leonard J. Gustafson: Honourable senators, a recent report of the Western Transportation Ministers Council concluded that Western Canada "desperately" needs more than \$15 billion in additional transportation funding or it will suffer from diminished economic growth, increased highway safety concerns, less competitive cities, increased traffic congestion and increased pollution. This conclusion was reported in The Vancouver Sun of May 25 of this year.

In addition to calling for renewed focus on a list of infrastructure projects in need of our attention, the report states that infrastructure investment has not kept up with economic growth in Western Canada.

Has the Leader of the Government in the Senate read the report to which I refer? Is he aware of the situation? What is the federal government doing to deal with it?

Hon. Jack Austin (Leader of the Government): Honourable senators, I did read the news story in *The Vancouver Sun*. It is probably no secret to honourable colleagues that I read *The Vancouver Sun* every day, and that story did attract my attention.

At this stage in its priority matrix and in discussions with provinces and cities, the federal government has targeted the provision of new infrastructure funding to Canada's cities and communities. Honourable senators are aware that this is a \$5-billion fund over the next five years.

In addition, the Government of Canada is transferring its portion of the gas tax to cities and municipalities. I am sure honourable senators saw the reactions at the meeting held last weekend in St. John's by the mayors and the Federation of Canadian Municipalities to the funds flowing to cities as a result of the passage of Bill C-43, the government's budget bill.

Obviously, there is a need to provide transportation links in all parts of Canada. These links are, of course, the primary responsibility of the provinces, although the federal government has established over a very long period of time a role in national linkages, such as the Trans-Canada Highway. We have seen in this place the federal government facilitating Highway 30 in Quebec through Bill S-31. I appreciate the support that bill has had in this chamber.

Honourable senators, this is a very large subject, one which the federal government and the provinces will be addressing. We are waiting to see whether the federal council, which is a council of premiers, lists this particular priority ahead of others.

**Senator Gustafson:** Honourable senators, there seems to be consensus among members of the council that something should be done.

The report goes on to note that transportation spending by all levels of government in Canada has fallen to 1.7 per cent of GDP compared with 2.9 per cent in 1991. Federal contributions have fallen the most — 46 per cent — even though federal revenues exceeded real gross spending by \$14 billion between 1991 and 2001. What will the federal government do to address this very serious trend that is taking place in Western transportation?

Senator Austin: Honourable senators, I have answered the question by referring to a forthcoming discussion with the premiers. However, we have not yet seen their priorities regarding this issue.

In the meantime, the government has decided to reduce dramatically airport rents across the country to facilitate that transportation mode. As well, it is giving real assistance to VIA Rail.

# ORDERS OF THE DAY

### **BUSINESS OF THE SENATE**

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I would like to call Order No. 4, Bill S-36, and then the other items as they currently stand on the Order Paper.

• (1420)

# **EXPORT AND IMPORT OF ROUGH DIAMONDS ACT**

BILL TO AMEND—SECOND READING— REFERRED TO COMMITTEE

On the Order:

Resuming debate on the motion of the Honourable Senator Peterson, seconded by the Honourable Senator Ringuette, for the second reading of Bill S-36, to amend the Export and Import of Rough Diamonds Act.

Hon. Consiglio Di Nino: Honourable senators, I am pleased to rise to speak to Bill S-36 and the comments of Senator Peterson.

Bill S-36 provides the Minister of Natural Resources with the authority to change the definition of "rough diamonds" to enable the exclusion of diamonds less than one millimetre in diameter, which are deemed to be of too little value for illicit trade.

The bill also introduces a provision to the Export and Import of Rough Diamonds Act that enables the publication of Kimberley Process Certificates based on import and export statistics. Currently, Canada publishes only Statistics Canada information based on overall import and export declarations. The Kimberley Process Certificate scheme was created in an attempt to stop certain diamond-producing countries from selling diamonds as a means to fund many of the world's worst atrocities by some of the worst tyrants, butchers and despots in the world.

Four major conflict areas in Africa have been supported by "blood diamonds" or "conflict diamonds." The Angola Civil War, from 1972 to 2002, resulted in some 500,000 dead, hundreds of thousands displaced and thousands maimed. The main rebel group in Angola, UNITA, controlled 70 per cent of the diamond mines that allowed for hundreds of millions of dollars in revenue to be used for the war effort. The Democratic Republic of Congo Civil War, from 1998 to 2003, which to a degree continues today, resulted in some 3.3 million lives lost. Diamonds and other resources helped to finance those rebel movements. The Sierra Leone Civil War, from 1991 and 1999, ended with 50,000 dead. The main rebel group, RUF, mined between \$25 million to \$125 million annually in diamonds to finance its war effort. In the Liberia Civil, War between 1989-97 and 2000-03, some 200,000 lives were lost and 1 million people displaced. Various rebel groups, particularly Charles Taylor's government, were supported by "blood diamonds."

In response, diamond producing countries, companies and traders along with NGOs and representatives from the diamond industry, convened in Kimberley, South Africa, in 2000 to create a plan to prevent diamonds from continuing to fuel conflicts. Over the next three years, the Kimberley Process Certification Scheme, KPCS, was developed. The KPCS was endorsed by the UN and currently has more than 60 member countries, which represent over 99 per cent of the world's diamond production.

Senator Peterson reported the number of member countries as being in the mid-40 range but my information is that the figure is in the 1960s. However, that discrepancy makes no difference to the purpose and intent of the effort.

The KPCS is designed to halt the trade of conflict diamonds and, at the same time, protect the trade of legitimate diamonds. The KPCS applies to rough diamonds only, not to polished diamonds. All participating countries agree to trade in rough diamonds with other participating countries and establish a national import-export scheme.

Honourable senators, Canada was a resource-dependent economy and is heavily involved in peacekeeping and international development efforts and, therefore, truly understands the need to be at the forefront of the development of the KPCS. Publication of the KPCS export-import statistics will allow Canada to show the world that we are committed to the KPCS and will set an example for other countries to follow. Canada understands that regulations must be efficient and effective if they are to address properly the needs of all stakeholders.

Canadian diamond mines use a sieve size of one millimetre and greater. Hence, all diamonds one millimetre and smaller are discarded or used for research purposes. These statistics support Senator Peterson's comments on Bill S-36. However, I would ask that some concerns be examined when Bill S-36 is referred to committee for study. Clause 1 of the bill reads as follows:

"rough diamond" means a diamond that is unsorted, unworked or simply sawn, cleaved or bruted, and that falls under subheading 7102.10, 7102.21 or 7102.31 in the List of Tariff Provisions set out in the schedule to the Customs Tariff, but does not include diamonds that are of a class prescribed by regulation.

I will speak to that in a moment.

The Ministry of Natural Resources will have the authority to set the technical guidelines to such regulations. Therefore, the Government of Canada must be vigilant in ensuring that regulations are suitable and that companies and organizations do not unduly influence the creation of, or future amendments to, the one-millimetre technical guidelines and allow for the creation of loopholes that would allow traders to export diamonds of greater value outside the Kimberley Process Certification Scheme.

The KPCS participants should work toward establishing an impartial review mechanism that would allow assessments of how the diamond control system is working in practice. One weakness in the KPCS is that there appear to be no penalties or sanctions for member countries found in violation of the scheme. Certainly, this needs to be clarified and addressed.

Honourable senators, Canada and its KPCS partners should work toward a comprehensive voluntary strategy to enable the tracking of diamonds from mine to the point of sale. Such a strategy would encompass rough as well as polished diamonds.

Diamond retailers understand the effects of the negative publicity "blood diamonds" have created. Hence, Canada should work with the diamond and jewellery industry to enhance support for a comprehensive tracking strategy, to increase public awareness of "blood diamonds," and to develop a strategy to address that problem. Canada should make periodic random audits of Canadian diamond re-exporters and should carry out random inspections of goods at the point of export to ensure that they conform to shippers' declarations on the Kimberley Process certificates.

Honourable senators, I urge that these concerns be placed on the agenda of the committee to which Bill S-36 is referred.

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

The Hon. the Speaker pro tempore: Honourable senators, when shall this bill be read the third time?

On motion of Senator Peterson, bill referred to the Standing Senate Committee on Energy, the Environment and Natural Resources.

**(1430)** 

# NATIONAL DEFENCE ACT CRIMINAL CODE SEX OFFENDER INFORMATION REGISTRATION ACT CRIMINAL RECORDS ACT

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. Landon Pearson moved second reading of Bill S-39, to amend the National Defence Act, the Criminal Code, the Sex Offender Information Registration Act and the Criminal Records Act.

She said: Honourable senators, on behalf of the Minister of National Defence, I am pleased to support the introduction of this bill to amend the National Defence Act, the Criminal Code, and the Sex Offender Information Registration Act.

This bill is an important part of ensuring that the military justice system continues to reflect Canadian legal norms. It integrates the military justice system with the new National Sex Offender Registry while also accommodating military operational requirements.

Honourable senators, in order to understand what this bill is about, let us look first at the system as it currently exists.

A national registry for those convicted of designated offences — offences that are sexual in nature — was established in December 2004, when the Sex Offender Information Registration Act and certain Criminal Code provisions were proclaimed in force. Offenders convicted of a sexual offence under this system can be ordered by a criminal court judge to report on a regular basis to the police, where they must provide specific personal information. This information is then entered into the database.

This registration process may also apply retrospectively to sex offenders who were serving a sentence for a prescribed sexual offence at the time the Sex Offender Registration Act came into force

Of course, a person ordered to report to a registration centre can contest the order and also appeal the decision. Under such circumstances, the offender must show that the impact on them would be grossly disproportionate to the public interest in protecting society through the effective investigation of crimes of a sexual nature.

Let me remind honourable senators that the purpose of the registry is to provide police with a new investigative tool that is intended to enhance public safety by assisting them in the investigation of sexual offences by identifying possible suspects known to reside near the site of an offence.

Honourable senators, I am sure everyone in this chamber will agree that it is in the public interest to ensure that the effects of convictions for designated offences at military courts martial are the same as for civilian criminal convictions.

In addition, these amendments are consistent with the commitment that was made last spring by the Minister of Public Safety and Emergency Preparedness to incorporate appropriate convictions from military courts martial in the sex offender registry when she appeared before the Standing Senate Committee on Legal and Constitutional Affairs to discuss the original proposed legislation.

I would stress, however, that the number of military personnel affected by this bill's amendments is expected to be quite small. I am happy to say that.

The amendments will allow military courts martial to order the registration of those convicted of designated offences; to ensure registration and reporting for the same time period as those convicted by a civilian criminal court; and to require the registration of someone serving a sentence when these amendments come into force.

The amendments will also allow those who are required to participate in the National Sex Offender Registry to continue to serve in the military after a conviction, if appropriate, by providing mechanisms to allow them to fulfill their reporting requirements from within the military operational environment. These mechanisms include the ability to set up registration centres in and outside Canada, and provisions to allow reporting to registration centres in Canada from a distance; for example, while on exercise or at sea. Where it is not possible for members of the military to comply within the specified time limits set for the registry, and if military operational circumstances warrant, time limits may be suspended in order to allow them to fulfill their military duties.

Honourable senators, if the current registration process were to apply to certain individuals, they could be required to disclose information relating to an operation that could jeopardize national security, international relations or certain types of

operations. This would not be in the interests of Canada and could potentially jeopardize the safety of others who are involved in a military operation. To avoid this, the Chief of the Defence Staff will be able to decide if this type of information should be included in the sex offender database.

I realize that the sex offender registry's purpose is to ensure that information relating to sex offenders is available to assist police in future investigations of sexual offences. However, let me be clear: with these amendments, the aim of the sex offender registry would still be met.

The location of military personnel in operations is known and could be provided if it is relevant to an investigation.

Furthermore, the rights of individuals under the Charter of Rights and Freedoms have been carefully considered and, as in the case with the system as it functions within the civilian criminal justice system, it is expected that any infringements will be limited to those that can be justified in light of the aims of the sex offender registry.

Honourable senators, the bill also includes amendments to the Criminal Code and the Sex Offender Information Registration Act that will serve to enhance the administration and enforcement of the sex offender register. These amendments, which I have carefully examined and which I can see are not substantial, were developed after extensive consultation with the federal Departments of Public Safety and Emergency Preparedness Canada, Justice Canada and the RCMP, as well as the provinces and territories.

These amendments are necessary to ensure that the sex offender registry operates effectively and in the manner that was originally intended.

Finally, the bill effects a number of relatively minor consequential and technical amendments.

Honourable senators, this bill deserves the support of this chamber so that the sex offender registry can function as intended, and to ensure the military justice system continues to reflect Canadian legal norms. These amendments will ensure that convictions at courts martial for designated offences can lead to registration in the national sex offender database.

While doing so, the government recognizes that the military operational environment is unique. The amendments reflect this and provide needed flexibility to see that the aims of the National Sex Offender Registry are met, while accommodating military operational requirements.

I strongly recommend that all honourable senators support the amendments to the National Defence Act, the Criminal Code and the Sex Offender Information Registration Act that are contained in this bill.

On motion of Senator Stratton, for Senator Nolin, debate adjourned.

#### SPAM CONTROL BILL

#### SECOND READING—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Oliver, seconded by the Honourable Senator Cochrane, for the second reading of Bill S-15, to prevent unsolicited messages on the Internet.—(Subject-matter referred to the Standing Senate Committee on Transport and Communications on February 10, 2005)

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, this item has been referred to a standing committee for discussion. In view of that, it should retain its place on the Order Paper because it has not received second reading. I move that this item remain stood on the Order Paper.

Hon. Terry Stratton (Deputy Leader of the Opposition): It is my understanding that this bill is now making progress in the Standing Senate Committee on Transport and Communications, as has been verified to me by the Deputy Leader of the Government, which I appreciate.

The Hon. the Speaker pro tempore: Is it agreed, honourable senator, to leave the item on the Order Paper?

Order stands.

• (1440)

#### NATIONAL SECURITY AND DEFENCE

## COMMITTEE AUTHORIZED TO MEET DURING ADJOURNMENT OF THE SENATE

On the Order:

Resuming debate on the motion of the Honourable Senator Nolin, seconded by the Honourable Senator LeBreton:

That the Standing Senate Committee on National Security and Defence be empowered, in accordance with rule 95(3), to sit on September 14, 15 and 16, 2005, even though the Senate may then be adjourned for a period exceeding one week.—(Honourable Senator Rompkey, P.C.)

The Hon. the Speaker pro tempore: Is the house ready for the question?

Hon. Senators: Question!

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.

# DECENTRALIZATION OF FEDERAL DEPARTMENTS, AGENCIES AND CROWN CORPORATIONS

INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Downe calling the attention of the Senate to the benefits to the decentralization of federal departments, agencies and Crown corporations from the National Capital to the regions of Canada.—(Honourable Senator Losier-Cool)

Hon. Grant Mitchell: Honourable senators, I am very pleased to join the honourable senators who have already spoken on the inquiry of Senator Downe on the decentralization of federal agencies, departments and Crown corporations to the regions. This is an important debate, one that deserves our support and one that has tremendous implications for the cohesiveness and the unity of this country.

I should like to thank Senator Losier-Cool, in whose name the debate was adjourned and who graciously agreed that I may speak today. I ask permission that, once I have finished speaking, the debate remain adjourned in her name.

Canada's public service has a long and proud tradition of ensuring that it is representative of Canada's diversity in every way. Our public service has made significant strides in ensuring that it reflects Canada's ethnic, linguistic, gender and regional diversity. A modern public service needs to be relevant to Canadians. To do that, Canadians must be able to see themselves reflected in their government at all levels of decision-making.

[Translation]

I am very much in favour of these initiatives. I agree that when an agency or a department moves its head office to a region, it has to be able to guarantee that its employees' rights, their linguistic rights in particular, will be respected and will not suffer any negative effect.

[English]

One important component of a relevant and effective public service is the presence and visibility of government to individual Canadians. All too often, for those Canadians outside the National Capital Region, decision-making and governance is something that happens at a distance, in some other place far away, in Ottawa. The physical distance can breed a sense of removal and alienation from the process that could undermine the sense of legitimacy of federal institutions and detract from national unity.

In a country as geographically and culturally diverse as Canada, it only makes sense that in the 21st century we would be doing everything we can to take advantage of modern technologies to ensure that our public service is as representative of Canada and Canadians as it can be. With modern telecommunications and videoconferencing and the fact that data can be transferred

almost simultaneously and certainly instantaneously, there is no longer any reason for every single department to be headquartered in Ottawa.

In fact, as my honourable colleagues pointed out, there have been some very successful examples in the past of departments having been decentralized, including the Veterans Affairs Department in Charlottetown and the Public Works and Government Services Superannuation Directorate located in Shédiac. May I add to this list the very logical and successful transfer of the National Energy Board to Calgary in 1991. This federal board employs 280 employees, including financial analysts, computer scientists, economists, engineers, environmentalists, geologists, geophysicists, communications specialists, lawyers, human resource and library specialists and administrative staff. I am quite convinced that every one of them enjoys immensely living in Calgary. The important thing here is that the jobs include all levels of staff, from administration to specialists to policy makers.

I think that this last point is very important because it echoes something that Senator Downe pointed out in his inquiry, that between 1994 and 2003, about 70 per cent of EX-1 to EX-5 level jobs, the highest jobs in the public service, are here in the national capital region. This is significant. Decentralizing jobs is not the point here. It is the kinds of jobs that are decentralized. In order to have any impact, the decentralization must have a policymaking impact, and this means whole departments or agencies, not just branches or regional offices.

Decentralizing federal departments and agencies is vital, not only for the obvious economic benefits to the regions but because of the positive policy impact on decision-making itself. A federal public service with a real decision-making presence in all regions is more likely to reflect the attitudes and views of Canadians from across the country. This will, in turn, mean a more vibrant public service with a wider base for innovation and ideas.

In addition, the public service would benefit from the wealth of expertise that exists in the regions, particularly in specific fields. In some cases, certain regions have developed real centres of excellence in certain fields, and the location of a federal department or agency in that region could have real benefits in terms of sharing expertise and technology transfer, not only for the region but also for that specific department.

An example of this synergistic relationship was the location of one of the two pillars of the Public Health Agency in Winnipeg last year. That city was already home to the world renowned National Microbiology Laboratory and had resident expertise from a number of other important academic, medical and scientific entities. Now it coordinates the Public Health Agency's infectious disease functions, including epidemiology, and the city is also the base for the International Centre of Infectious Diseases. Winnipeg is now well on its way to becoming a word leader in addressing the threat and impacts of infectious diseases. We need more of these kinds of success stories, and why not?

• (1450)

I applaud the government's recent move of the Canadian Tourism Commission to Vancouver. This move will involve 80 jobs, but the impact is far greater than that symbolically. Prior to this, British Columbia, Canada's third largest province, did not

have a single federal department with its headquarters in that province. Again, with B.C. as the destination of choice for one third of all tourists coming to Canada, and the 2010 Olympics just around the corner, the synergies are obvious.

I want to make it clear that this is not an argument for a massive displacement of jobs away from Ottawa. I simply feel that as jobs increase, more of the new jobs should be outside the national capital. Over the last five years, the Canadian public service grew by 11 per cent across the country. In the National Capital Region, the growth rate was 19 per cent, or almost 18,000 new jobs. This means that proportionately over the last five years the public service has been centralizing its new growth. The proportion of jobs in the national capital vis-à-vis those in the regions has in fact gone up. I would simply argue that we need a few more examples like the CTC so that when future growth occurs some of it might happen in the regions.

Senator Downe provided us with an example from abroad, Great Britain, to illustrate that other countries are also trying to decentralize their public service. I would like to draw the attention of honourable senators to an example here at home.

The Government of Nunavut, our most recently established government in Canada, is well aware of the challenges of creating institutions that best reflect citizens where there is a vast geography in a region with a widely dispersed population and regional economic disparity. Nunavut has taken advantage of modern telecommunications infrastructure and has established a very decentralized governance structure. In fact, there are only four departments with their headquarters in the capital—executive and intergovernmental affairs, finance and administration, human resources and justice. All other departments are headquartered in other communities. This is a model from which I think we could all take some lessons.

Honourable senators, it is the duty of the federal public service to ensure that Canadians receive the best service possible and that all regions feel they have a stake in their federal government. Our federal public service is one of the strongest public services in the world, and they are to be respected and admired for the work they do. I think, by definition, federal public servants who lived elsewhere and worked elsewhere in the country, outside of Ottawa, would inevitably have a different view, to some extent, of policy, of regional disparities, of regional inconsistencies and of specific regional needs and opportunities.

In this era of technology, with videoconferencing, BlackBerries and instantaneous communication, the time is absolutely ripe for us to consider moving progressively more and more of our public service outside of Ottawa. I think that this idea is good for the regions. More importantly, it would make the public service — and therefore the federal government — more relevant to the people who live in the various regions of this country. It would be a tremendous step toward creating a greater sense of this country from all regions and all peoples in Canada, and a greater sense of national unity.

By supporting Senator Downe's motion to decentralize more federal departments, agencies and Crown corporations to the regions, we will have taken a significant step toward helping all Canadians to feel more included in their government.

On motion of Senator Losier-Cool, debate adjourned.

#### THE SENATE

RULES OF THE SENATE—MOTION TO CHANGE RULE 135—OATH OF ALLEGIANCE—SUBJECT MATTER REFERRED TO COMMITTEE

On the Order:

Resuming debate on the motion of the Honourable Senator Lavigne, seconded by the Honourable Senator Robichaud, P.C.:

That the Rules of the Senate be amended by adding after rule 135 the following:

135.1 Every Senator shall, after taking his or her Seat, take and subscribe an oath of allegiance to Canada, in the following form, before the Speaker or a person authorized to take the oath:

I, (full name of the Senator), do swear (or solemnly affirm) that I will be faithful and bear true allegiance to Canada.

And on the motion in amendment of the Honourable Senator Day, seconded by the Honourable Senator Lavigne:

That the motion be amended by replacing, in the proposed rule 135.1, the word "shall", with the word "may".—(Honourable Senator Cools)

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I move that the motion standing in the name of Senator Lavigne be not now adopted but that the subject matter be referred to the Standing Committee on Rules, Procedures and the Rights of Parliament.

Hon. Marcel Prud'homme: Honourable senators, I had intended to speak today to this motion, but if Senator Lavigne is happy with the latest development, I will not be speaking; I will attend the committee instead. However, I have one condition. I want Senator Lavigne to signify that he is happy.

[Translation]

If Senator Lavigne is happy, then I am not going to be the one to cross him. My name was placed on the list to ensure that the clock would be put back to zero. However, if you are happy with this, I will not speak.

On motion of Senator Rompkey, subject matter of the motion referred to the Standing Committee on Rules, Procedures and the Rights of Parliament.

[English]

# ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES

PERSONAL WATERCRAFT BILL—COMMITTEE AUTHORIZED TO REFER DOCUMENTS FROM PREVIOUS SESSIONS TO ITS STUDY ON BILL S-12

Hon. Tommy Banks, pursuant to notice of June 8, 2005, moved:

That the papers and evidence received and taken by the Standing Senate Committee on Transport and Communications during its study of Bill S-26, An Act concerning personal watercraft in navigable waters in the First Session of the Thirty-seventh Parliament and the papers and evidence received and taken during the Second Session of the Thirty-seventh Parliament during the study of Bill S-10, and the papers and evidence received and taken during the Third Session of the Thirty-seventh Parliament during the study of Bill S-8, An Act concerning personal watercraft in navigable waters, be referred to the Standing Senate Committee on Energy, the Environment and Natural Resources for its study of Bill S-12, An Act concerning personal watercraft in navigable waters.

Motion agreed to.

#### **ADJOURNMENT**

Leave having been given to revert to Government Notices of Motions:

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That when the Senate adjourns today, it do stand adjourned until Tuesday, June 14, 2005, at 2 p.m.

The Hon. the Speaker pro tempore: Honourable senators, is leave granted?

Hon. Senators: Agreed.

Motion agreed to.

The Senate adjourned until Tuesday, June 14, 2005, at 2 p.m.

# THE SENATE OF CANADA PROGRESS OF LEGISLATION

(indicates the status of a bill by showing the date on which each stage has been completed)

(1st Session, 38th Parliament)

Thursday, June 9, 2005

(\*Where royal assent is signified by written declaration, the Act is deemed to be assented to on the day on which the two Houses of Parliament have been notified of the declaration.)

# GOVERNMENT BILLS (SENATE)

	No.	S-10 A secon the civil to amen each lar the com	S-17 An Act convent between Armenia avoidan preventition		S-31 An Act mainter St. Lawr Beauhar completi	S-33 An Act to make co Acts	S-36 An Act t Rough D	S-37 An Act to Cultural	S-38 An Act internatic regarding	S-39 An Act to the Critical Informational Criminal	S-40 An Act t
	Title	A second Act to harmonize federal law with the civil law of the Province of Quebec and to amend certain Acts in order to ensure that each language version takes into account the common law and the civil law	An Act to implement an agreement, conventions and protocols concluded between Canada and Gabon, Ireland, Armenia, Oman and Azerbaijan for the avoidance of double taxation and the prevention of fiscal evasion	An Act to amend the Statistics Act	An Act to authorize the construction and maintenance of a bridge over the St. Lawrence River and a bridge over the Beauharnois Canal for the purpose of completing Highway 30	An Act to amend the Aeronautics Act and to make consequential amendments to other Acts	An Act to amend the Export and Import of Rough Diamonds Act	An Act to amend the Criminal Code and the Cultural Property Export and Import Act	An Act respecting the implementation of international trade commitments by Canada regarding spirit drinks of foreign countries	An Act to amend the National Defence Act, the Criminal Code, the Sex Offender Information Registration Act and the Criminal Records Act	An Act to amend the Hazardous Matarials
	18t	04/10/19	04/10/28	04/11/02	05/05/12	05/05/16	05/05/19	05/05/19	05/05/31	05/06/07	00/90/90
	2 <sup>nd</sup>	04/10/26	04/11/17	05/02/02	05/06/07		60/90/50				
(SENATE)	Committee	Legal and Constitutional Affairs	Banking, Trade and Commerce	Social Affairs, Science and Technology	Transport and Communications		Energy, the Environment and Natural Resources				
	Report	04/11/25	04/11/25	05/03/07				ĺ			1
	Amend	0 observations	0	0				I			
	3rd	04/12/02	04/12/08	05/04/20		į				ļ	
	R.A.	04/12/15	05/03/23*								
	Chap.	25/04	8/05		1	A 1.0					I

GOVERNMENT BILLS (HOUSE OF COMMONS)

ii

	R.A. Chap.		05/02/24* 3/05	04/12/15 26/04			05/04/21* 15/05				05/05/19* 25/05	05/02/15* 1/05	05/05/19* 23/05
	200		05/02/22	04/12/13	05/03/21	05/02/16	05/04/19		05/05/16	05/04/14	05/05/19	05/02/10	05/05/18
	Amend	0 observations	0	0 observations	0	0	0	,	0 observations	2	0	0	C
	Report	02/06/09	05/02/15	04/12/09	05/02/22	05/02/10	05/04/14	1	05/05/12	05/04/12	05/05/18	05/02/10	05/05/17
(HOUSE OF COMMONS)	Committee	Transport and Communications	Transport and Communications	Banking, Trade and Commerce	National Security and Defence	Energy, the Environment and Natural Resources	National Finance	National Finance	Legal and Constitutional Affairs	Social Affairs, Science and Technology	Legal and Constitutional Affairs	Aboriginal Peoples	Energy, the Environment
(HOOL)	2 <sup>nd</sup>	05/04/14	04/12/09	04/12/08	04/12/07	04/12/09	05/03/21	02/06/08	05/02/22	02/03/09	05/05/16	04/12/13	05/02/02
	18t	05/03/21	04/11/16	04/12/07	04/11/18	04/11/30	05/03/07	05/06/02	05/02/08	05/02/10	05/05/12	04/12/07	04/12/14
	Title	An Act to amend the Canada Shipping Act, the Canada Shipping Act, 2001, the Canada National Marine Conservation Areas Act and the Oceans Act	An Act to implement the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment	An Act to provide financial assistance for post-secondary education savings	An Act to establish the Department of Public Safety and Emergency Preparedness and to amend or repeal certain Acts	An Act to amend the Department of Canadian Heritage Act and the Parks Canada Agency Act and to make related amendments to other Acts	An Act to amend the Financial Administration Act, the Canada School of Public Service Act and the Official Languages Act	An Act to establish the Economic Development Agency of Canada for the Regions of Quebec	An Act to amend the Criminal Code (mental disorder) and to make consequential amendments to other Acts	An Act to prevent the introduction and spread of communicable diseases	An Act to amend the Criminal Code, the DNA Identification Act and the National Defence Act	An Act to give effect to a land claims and self-government agreement among the Tilcho, the Government of the Northwest Territories and the Government of Canada, to make related amendments to the Mackenzie Vallley Resource Management Act and to make consequential amendments to other Acts	An Act to amend the Migratory Birds
	No.	C-3	4	C-5	9-0	C-7	8	6-O	C-10	C-12	C-13	C-14	

			-		aaniiiiiioo	noday	1 5	Amend	3.5	R.A.	Chap.
An Act to provide for real property taxation 04/12/13 powers of first nations, to create a First Nations Tax Commission, First Nations Financial Management Board, First Nations Finance Authority and First Nations Statistical Institute and to make consequential amendments to other Acts		04/1:	2/13	05/02/16	Aboriginal Peoples	05/03/10	3/10	0	05/03/21	05/03/23*	9/08
An Act to establish the Department of Social 05/06/09 Development and to amend and repeal certain related Acts		02/06/	60/								
An Act to establish the Department of 05/06/02 Human Resources and Skills Development and to amend and repeal certain related Acts		02/06	/02								
An Act to amend the Federal-Provincial 05/02/16 Fiscal Arrangements Act and to make consequential amendments to other Acts (fiscal equalization payments to the provinces and funding to the territories)		05/02	/16	05/02/22	National Finance	05/03/08	3/08	0	05/03/09	05/03/10*	2/05
An Act to amend the Patent Act 05/02/15	05/02	05/02	/15	05/03/07	Banking, Trade and Commerce	05/04/12	1/12	2	05/04/14	05/05/05*	18/05
An Act to amend the Parliament of Canada 05/04/13 Act and the Salaries Act and to make consequential amendments to other Acts		05/04/	13	05/04/14	National Finance	05/04/21	1/21	0	05/04/21	05/04/21*	16/05
A second Act to implement certain 05/03/07 provisions of the budget tabled in Parliament on March 23, 2004		0/20/90	~	05/04/20	National Finance	05/05/03	2/03	0	05/05/10	05/05/13*	19/05
An Act for granting to Her Majesty certain 04/12/13 sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 2, 2004-2005)		04/12/1	6	04/12/14	1			1	04/12/15	04/12/15	27/04
An Act for granting to Her Majesty certain 04/12/13 sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 3, 2004-2005)		04/12/1	m	04/12/14	1	1		1	04/12/15	04/12/15	28/04
An Act to change the boundaries of the 04/12/13 Acadie—Bathurst and Miramichi electoral districts		04/12/1	က	05/02/01	Legal and Constitutional Affairs	12/20/52 pa		0 observations	05/02/23	05/02/24*	9/9
An Act to amend the Federal-Provincial 05/02/22 Fiscal Arrangements Act and to enact An Act respecting the provision of funding for diagnostic and medical equipment		05/02/2	0	05/03/08	Social Affairs, Science and Technology	and 05/03/10	/10	0	05/03/22	05/03/23*	11/05
An Act to amend the Canada Grain Act and 05/05/12 the Canada Transportation Act		05/05/1	2	05/05/16	Agriculture and Forestry	try 05/05/18	/18	0	05/05/19	05/05/19*	24/05
An Act for granting to Her Majesty certain 05/03/22 sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 4, 2004-2005)		05/03/2	2	05/03/23				1	05/03/23	05/03/23*	12/05

iv

	Title	184	2 <sup>nd</sup>	Committee	Report	Report Amend	200	R.A.	R.A. Chap.
S-34	An Act to amend the Department of Justice Act and the Supreme Court Act to remove certain doubts with respect to the constitutional role of the Attorney General of Canada and to clarify the constitutional relationship between the Attorney General of Canada and Parliament (Sen. Cools)	05/05/16							
S-35	An Act to amend the State Immunity Act and the Criminal Code (terrorist activity) (Sen. Tkachuk)	05/05/18							
			PR	PRIVATE BILLS					

No.	Title	1 <sup>st</sup>	2nd	Committee	Report	Amend	3rd	R.A.	Chap.
S-25	An Act to amend the Act of incorporation of The General Synod of the Anglican Church of Canada (Sen. Rompkey, P.C.)	05/02/10	05/03/23	Banking, Trade and Commerce	05/05/05	05/05/05 0 0 observations	05/05/10 (S	05/05/19*	
S-27	An Act respecting Scouts Canada (Sen. Di Nino)	05/02/17	05/04/19	Legal and Constitutional Affairs					

#### CONTENTS

#### Thursday, June 9, 2005

PAGE	DACE
SENATORS' STATEMENTS	Accuracy of Financial Forecasts. Hon. Gerald J. Comeau
Health Supreme Court of Canada—Decision Involving Service Standards. Hon. Marjory LeBreton	National Revenue Canada Revenue Agency—Taxation of Red Cross HIV Tainted Blood Compensation Fund.
Canadian Radio-television and Telecommunications Commission Authorization of Italian Channel.  Hon. Marisa Ferretti Barth	Hon. Marjory LeBreton 1437 Hon. Jack Austin 1437
	Health Manitoba—Chronic Disease Prevention Initiative— Federal Contribution.
ROUTINE PROCEEDINGS	Hon. Terry Stratton 1437 Hon. Jack Austin 1438
The Estimates, 2005-06 Fourth Interim Report of National Finance Committee Presented. Hon. Donald H. Oliver	Transport Infrastructure Program—Contributions to Western Canada. Hon. Leonard J. Gustafson. 1438 Hon. Jack Austin. 1438
Canada Shipping Act Canada Shipping Act, 2001 Canada National Marine Conservation Areas Act (Bill C-3)	
Oceans Act Bill to Amend—Report of Committee. Hon. Joan Fraser	ORDERS OF THE DAY
Rules, Procedures and the Rights of Parliament	Business of the Senate Hon. Bill Rompkey
Hon. David P. Smith	Export and Import of Rough Diamonds Act (Bill S-36) Bill to Amend—Second Reading—Referred to Committee. Hon. Consiglio Di Nino
Hazardous Materials Information Review Act (Bill S-40)	Referred to Committee
Bill to Amend—First Reading.  Hon. Bill Rompkey	Criminal Code Sex Offender Information Registration Act
Official Languages Notice of Motion to Authorize Committee to Extend Date of Final Report on Study of Operation of Official Languages Act and Relevant Regulations, Directives and Reports.	Criminal Records Act (Bill S-39) Bill to Amend—Second Reading—Debate Adjourned. Hon. Landon Pearson
Aon. Eymard G. Corbin	Spam Control Bill (Bill S-15) Second Reading—Order Stands. Hon. Bill Rompkey
Notice of Inquiry.  Ion. Lorna Milne	Hon. Terry Stratton
Conference Board of Canada Report on Maximizing Talents of Visible Minorities— Notice of Inquiry.	National Security and Defence Committee Authorized to Meet During Adjournment of the Senate
lon. Donald H. Oliver	Decentralization of Federal Departments, Agencies and Crown Corporations Inquiry—Debate Continued.
QUESTION PERIOD	Hon. Grant Mitchell
ealth upreme Court Decision Involving Service Standards—	The Senate Rules of the Senate—Motion to Change Rule 135— Oath of Allegiance—Subject Matter Referred to Committee.
on. Noël A. Kinsella	Hon. Bill Rompkey 1443 Hon. Marcel Prud'homme 1443
on. Jack Austin. 1435 lberta—Efficiency of Health Care System. on. Leonard J. Gustafson. 1436 on. Jack Austin. 1436	Energy, the Environment and Natural Resources Personal Watercraft Bill—Committee Authorized to Refer Documents from Previous Sessions to its Study on Bill S-12. Hon. Tommy Banks
nance adget 2005—Employment Insurance Account.	Adjournment Hon. Bill Rompkey
on. Gerald J. Comeau	Progress of Legislation



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CANADA

# Debates of the Senate

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Tuesday, June 14, 2005

THE HONOURABLE DANIEL HAYS SPEAKER

#### **CONTENTS**

(Daily index of proceedings appears at back of this issue).

Debates and Publications: Chambers Building, Room 943, Tel. 996-0193

#### THE SENATE

Tuesday, June 14, 2005

The Senate met at 2 p.m., the Speaker in the chair.

Prayers.

#### SENATORS' STATEMENTS

#### TRIBUTES

THE HONOURABLE VIOLA LÉGER, O.C.

The Hon. the Speaker: Honourable senators, I have received a letter, pursuant to rule 22(10), requesting that the time provided today for the consideration of Senators' Statements be extended for the purpose of paying tribute to the Honourable Viola Léger. It is my understanding that tributes may go beyond that 15 minutes into our period for Senators' Statements.

Is it agreed, honourable senators, that I call on Senator Léger when tributes to her are completed rather than at the end of the 15 minutes?

Hon. Senators: Agreed.

[Translation]

Hon. Rose-Marie Losier-Cool: Honourable senators, it is with great sadness that I rise today to pay tribute personally and on behalf of the government to a great friend and respected colleague. Senator Léger was appointed to the Senate four years and one day ago. We wish you the best on the occasion of this anniversary, senator, but how sad that this will be the last such anniversary we celebrate with you in this honourable place!

[English]

Born a little while ago in Fitchburg, Massachusetts, Senator Léger was educated both in Boston and in Moncton, New Brunswick. As her sister New Brunswicker, an Acadian and a former teacher, I had the great honour of being her sponsor here in the Senate.

[Translation]

From her arrival among us, the Honourable Senator Léger injected a fresh wind of renewal into our institution by raising neglected issues, with that incredible conviction and the magnificent natural eloquence that has been her trademark for so long.

Day after day, in this chamber, never taking time off, Senator Léger has stood up for difficult and often challenging causes. I think, in particular, of three major issues: the rights of Canada's Aboriginal peoples, the rights of linguistic minorities, and the importance of artists. Her statements, her speeches, her inquiries and questions, punctuated by her wisdom, humour and countless

poems that could one day make our Hansard a bestseller, have always been eagerly awaited, and listened to with attention and pleasure.

Senator Léger has been one of the most conscientious and appreciated members of the Senate Standing Committee on Official Languages. I also know that her colleagues on the Senate Standing Committee on Aboriginal Peoples will find it difficult, if not impossible, to replace her commitment.

The Senate will soon lose one of its finest actors, and I say that in every sense of the word. Senator Léger, during all the years that you have been active in the theatre, is it for the same reasons that moved Jean Marais, "to feel those sensations that life does not bring [you]?" However, in reading your biography, it is clear that life has brought you a great deal and that it continues to enrich you every day. You have been teacher, artist, actress, director, theatre manager and done so in both of our country's official languages, which you defend so ardently! I believe and hope that you have adopted the theatre to give voice to the vitality of our beloved Acadia. For that reason alone, our people will be eternally grateful to you.

Hitchcock said, "What is drama, after all, but life with the dull bits cut out." Bouctouche will soon regain its Sagouine, but we, here, will continue with our roles, having lost an irreplaceable colleague.

You are going back to the theatre, Senator Léger. We will have to carry on without your many talents and your wisdom. Thank you for having enriched us all, honourable senator.

Au revoir, Mme Léger, and until we meet again, my dear friend.

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, it is an honour but a sad one for me to speak of the departure of Senator Léger, who will soon be retiring from this chamber.

She has served her region, her country and her party during her four years in our venerable institution. She has been a member of several committees, most notably the Senate Standing Committee on Official Languages and the Senate Standing Committee on Aboriginal Peoples.

Honourable senators, no one else could have carried so well the Acadian torch or better represented the Acadian people of New Brunswick in this chamber than Senator Léger. The consummate ambassador of Acadian culture and one of the best known, if not the best known and most respected artist in New Brunswick, her achievements in the field of arts and culture are unmatched.

Her contribution to the spread of the French and Acadian culture as well as the promotion of French-speaking Canada have always remained dear to her heart and will be forever unforgettable. Proud Acadian that she was, Viola Léger made her name in the title role of *La Sagouine*, a role she made her own

for 30 years and close to 2,000 performances across Canada, Europe and the United States. This grande dame of the arts, teacher, actress and storyteller has also played in film and television productions.

Viola Léger holds degrees in education and arts, as well as numerous honourary doctorates, including the one from St. Thomas University for which I had the honour and privilege of reading the citation.

Senator Léger has amassed numerous honours throughout her career, including the Chevalier de l'Ordre de la Pléiade, the Médaille du Conseil de la vie française en Amérique, and she was made an Officer of the Order of Canada.

Honourable senators, it is obvious that Viola Léger's body of work has been immensely rich and vast. She is the brightest of the stars in the firmament of Acadian arts and culture. I will close with a brief quotation from the senator herself:

Through literature and theatre, Acadia expresses itself. Through painting, sculpture, cinema and videos it expresses its vision of the world. Through dancing, it shows its strength and vitality. It is through our artists that we realize that the Acadian identity is as broad as life, because it knows no boundaries. The arts are a people's soul.

**(1410)** 

Thank you, senator, for your friendship and your service at home in New Brunswick and in Canada.

Hon. Eymard G. Corbin: Honourable senators, as the dean of senators and of all parliamentarians from New Brunswick, I want to say to you, Senator Léger, that it has been a joy for us to have you here. We cannot help feeling a certain sadness at your departure, though.

We are aware of your eagerness and anticipation at the prospect of being back on stage in proper theatre — as opposed to this one. I want to thank you on behalf of the senators who sit on the Senate Standing Committee on Official Languages, both for your unfailing presence and for your contributions to our work.

I know, we did not give culture enough attention on this committee, and you often reminded us of our duties, never missing an opportunity to stress culture's vital importance. It will surely be your legacy to this institution. I take some pride in the fact that, as you have pointed out, it was in Grand-Sault, my birthplace, that your vocation for the theatre first took wing, while you were teaching there.

Rising above your fame and your charm is the fact that you are and will remain one of the great heroines of modern Acadia and an inspiration to the Canadian francophone community.

You alone were qualified to take on the brilliant and affectionate character of *La Sagouine* of Antonine Maillet, that other eminent Acadian, who brought such honour to her origins and to the place where your heart truly lies. There is no need for my recalling the many other roles you have played, which do you no less credit.

Senator Léger, we are in your debt for honouring this institution by your presence these past years. Our memories of you will be very fond indeed, I can assure you.

My best wishes go with you, dear colleague, in the pursuit of your eminent career and noble profession. Go now.

[English]

After all, darling, there is a life after the Senate!

[Translation]

Hon. Pierrette Ringuette: Honourable senators, Senator Léger is a grande dame of the theatre and, of course, a grande dame of Acadia, and now we must add, a grand dame of the Senate.

Viola has had many roles in her career, and, in each case, she is an inspiration to her audience.

As a teacher, she inspired her students with her knowledge, her teaching expertise and her dedication. As an actress, she inspires her audience through the vividness of the character she portrays. As an Acadian, she inspires the public with memories of the past, the perseverance of a people and its future potential. As a francophone, Viola inspires her listeners with her engaging, authentic and down-to-earth language. Of course, as a senator, Viola has inspired us with her dedication to representing minorities by reinforcing the importance of culture in recognizing and understanding ourselves as Canadians, with her speeches filled with love and emotion for individuals and matters of interest.

Honourable senators, Viola is undoubtedly a grande dame wherever she goes. As New Brunswickers, we have been particularly touched by her portrayal of the title character in La Sagouine, in which Viola relives the sad reality of this Acadian woman of yesteryear with the humour that past generations needed to survive, and a reminder for future generations.

Here is Viola in the act entitled Spring:

This land, 'n the sea. Even then, she's the one that made us, 'n looks like us the most.

Usin her as a mirror, our eyes turned deep 'n blue. 'n having watched so long fer fish deep in the water, our cheeks rose high 'n our brows grew close. That's why we end up lookin like the sea that surrounds the country. Yep, that's what they says. They says we got a low 'n raspy voice. Maybe true. 'n that we don't talk fast.

Well, a person's gotta take 'mself for what he is, 'n not try to talk 'n walk like other folks. Nope, a person's gotta look like the land that made him 'n fed him, 'n that's what ties him up at home 'n makes him ache. 'n wakes up in the Spring, it does.

Dear Viola, before you take your leave from the Senate, I want to thank you and, above all, to wish you many more springs under the Acadian star.

[English]

Hon. Mobina S.B. Jaffer: Honourable senators, on September 18, 2001, four senators were sworn in: Senator Léger, Senator Lapointe, Senator LaPierre and I. Since that time, Senator Léger has been ever present in the chamber, quietly playing an effective role as senator.

Honourable senators, Senator Léger has brought such dignity to this chamber that she will certainly be missed. For me, she has been a colleague and a French teacher; she introduced me to the French theatre; and, most of all, she has been my friend. Senator Léger, your counsel to us and to me certainly will be missed.

[Translation]

You will be missed.

Hon. Madeleine Plamondon: Honourable senators, most people across Canada know Viola Léger as an artist. Today, I would like to pay tribute to the person behind the character of *La Sagouine*: the honourable senator who has enriched the Senate of Canada with her personality.

To acknowledge someone is an opportunity not only to rediscover the person we thought we knew, but also to thank this person for all that she has brought us while we worked together. It is also means focusing all our attention on Viola Leger for a moment, to tell her that we love her and that she will be remembered.

Honourable senators, the Senate is a special place, one inhabited by all those who have passed through it. This is a place where history is made. We can feel it when we first set foot in this chamber. The solemnity of the place, and the enormous contribution of our predecessors. Everyone leaves his or her mark here, and you are leaving yours as well.

Before coming to the Senate, for me, Viola Léger was La Sagouine, a character with boundless humour and a great philosophy.

I will, however, let others give an overview of your career as an artist, and focus on the friendly, sensitive and supportive person that you are.

When I first arrived on Parliament Hill, I knew no one. I knew names, but I did not know anybody.

• (1420)

As an independent senator, I did not have the camaraderie of colleagues in caucus. The office I was assigned in the Victoria Building would have been bare had it not been for the flowers and words of welcome from Viola Léger.

And she has kept this up: a word of encouragement here, friendly notes there, a smiling face across from me every time I am seated here in the Senate. I will miss her.

Senator Léger, I was very honoured when you invited me to your table when you received the Ordre de la Pléiade, one of the many honorary distinctions you have received in your life.

As a senator, Viola Léger was the perfect representative of Acadian francophonie. Her pride is and always will be an inspiration to those who know that our origins are our roots. Without roots, we cannot grow. When she talks about her Acadia, she lights up and her enthusiasm is infectious.

Senator Léger is also very sensitive to francophone communities outside Quebec. During a recent trip to the Northwest Territories, on the invitation of Senator Sibbeston, I saw the gratitude in the eyes of our francophone hosts when you spoke to them and graciously agreed to take part in the photo sessions. You were sympathetic to the fact that they are a minority in Yellowknife and that they are fighting to keep a French-language radio station.

Yes, Senator Léger is a grande dame of the arts. She is also true to her Acadia and the francophonie. But I will particularly remember her as someone who is endearing, welcoming, sensitive, and loyal. A friend!

Au revoir, Viola.

[English]

The Hon. the Speaker: Honourable senators, the 15 minutes for Tributes have expired. We are now on Senators' Statements.

[Translation]

Hon. Maria Chaput: Honourable senators, I am somewhat sad today because my colleague and good friend Viola Léger will be leaving this place within days.

As we all know, she is a grande dame of the theatre, a top-notch cultural ambassador for Acadia, who has had an illustrious career on the stage and the small and large screen, who has taught, and who has received many honourary degrees and awards.

She is one of a kind, and the mere mention of her name gives rise to immense pride in Acadia and throughout the francophonie in this Acadian artist who has become such a powerful symbol of Acadian culture and heritage, its very personification.

What you do not know is that, this coming fall, she will be honoured by the Montreal Botanical Garden, when this world-class institution names a flower after her. The new variety of daylily is described as a perennial of discreet and humble nature. Discreet and humble it may be, but it is sturdy and survives to reappear spring after spring after spring.

This honour will mean that our friend, the great Acadian, the senator, the actress and the woman will live on forever, for all those who love and admire her. All our congratulations!

I knew of Madame Léger long before she knew me. Her reputation preceded her. But with my appointment to the Senate in 2002 I discovered another aspect of this wonderful woman. By working with her, I of course became more aware of what a great lady of the theatre she was, but also what a proud Acadian she was, proud of her culture, proud of her roots, a woman of warmth and generosity, of great humility, whose love for the theatre was unconditional.

#### [English]

Honourable senators, I will shortly be losing a colleague in the Senate, but I have gained a friend for life. Our responsibilities as senators have brought Senator Léger and I closer together on many issues of common interest, not the least of which are Canada's official languages and our efforts to represent, as best we can, the interests of Canada's French language and Acadian communities.

Senator Léger, you have given much to our country — as an actress, artistic director, teacher, cultural ambassador and, more recently, senator. May you reap due rewards for your charms and charisma and for all that you have given us as a nation.

#### [Translation]

Farewell, dear colleague, and may God bless you!

Hon. Lucie Pépin: Honourable senators, today we mark the departure of a colleague for whom I have the greatest respect.

Like many Canadians, I knew Senator Léger from movies and television, where she played many leading roles, including that of *La Sagouine*, the character she has also been bringing alive in the theatre for more than 30 years now.

Throughout her working life, Senator Viola Léger has contributed to the development of the arts in Canada. In the Senate, our colleague always emphasized, and for good reason, the importance of artistic creation because of the part its plays in the vitality of Canada as a nation.

You have remained a strong supporter of culture throughout your time with us. The speech you gave on May 19 comes to mind. That speech, which you are leaving us as a legacy, reminds us of our responsibility to take up the challenge of maintaining and safeguarding Canadian culture in all its diversity.

One need not spent a great deal of time with Senator Léger to realize how fond she is of Acadia, that piece of land she has pinned to her heart. Senator Léger cares about the development of the Canadian francophonie, but she also cares about the recognition of the Aboriginal peoples' contribution to Canada's heritage, a contribution which, we have to admit, is unfortunately not always appreciated as it should be.

On a more personal note, I would like to tell our dear colleague how grateful I am for her help in the performance of my duties as Acting Speaker, by sitting in for me on the Standing Senate Committee on Social Affairs, Science and Technology.

This characteristic generosity of yours, Senator Léger, your contagious sense of humour, your respect for others, your touching and inspiring simplicity and, above all, your uncanny ability to make things simple are all traits by which I will remember you.

I join my honourable colleagues in wishing you health and much happiness in your return to the stage. I do hope that what lies ahead in your already rich career will be rewarding.

I would very much have liked to offer you a poem, but I will borrow the words of a famous song to tell you:

This is only goodbye Until we meet again.

This is only goodbye for a little while; I have no doubt about it.

#### [English]

Hon. Sharon Carstairs: Honourable senators, it is with a great deal of sadness that I say farewell to Senator Viola Léger on her retirement from this place. I think it is fair to say that no one presently in this place will be able to match her eloquence in the reading of prose and poetry. No one in this place will be able to replace her understanding of theatre as an actor from New Brunswick working in the French language.

I know that, from the very first, she found this place a somewhat unnatural setting. However, she gave it her all and, in her unique way, she made a very special contribution. Her grace, her dignity and her incredibly warm voice will not easily be forgotten.

Hon. Nick G. Sibbeston: Honourable senators, I take this opportunity to say to Senator Léger that she has made a real contribution to the Aboriginal peoples of Canada by her participation on the Standing Senate Committee on Aboriginal Peoples. She has been a most diligent and faithful member of committee. She has participated in all committee meetings and has asked emphatic, passionate, profound and probing questions, often throwing a witness into a state of surprise. One could see them scrambling trying to respond to Senator Léger's questions.

Senator Léger responded to my invitation to senators this spring to travel north to visit Yellowknife, Fort Smith and the diamond mine. I cannot help but remember, as we were leaving Yellowknife on a small plane flying north to the diamond mine, seeing the delight and youthful wonder on her face as we flew into the vast, pristine land of ours in the North.

#### • (1430)

It was a glorious crispy, cold morning, and I know that she felt like the true Canadian that she is. She said, "I wish every Canadian could see and experience this." Obviously, it was a very delightful experience.

I want to thank Senator Léger for her participation on our committee. She made it her mission at the Senate to improve the plight of Aboriginal peoples in our country, and she has done that. We will miss her very much.

#### [Translation]

Hon. Lise Bacon: Honourable senators, our colleague Senator Léger will soon complete her service in the Senate. When she arrived in this chamber, Senator Léger shared with me her desire to find a special place from which to raise those issues that she considered priorities. We can now testify to the contributions of our colleague, especially in defence of the interests of linguistic minorities in Canada and in promoting the spread of the French language, to name but two of her favorite subjects.

Whenever one thinks of Acadia, the character created by Antonine Maillet, La Sagouine, springs instantly to mind. Viola Léger, who was able to play that role marvelously well, has been, without doubt, the living incarnation of the cultural vitality that characterizes Acadia. She has also demonstrated on many occasions her commitment to the spread of the French language, with unique mastery, subtlety and aplomb.

The remarkable contribution of Viola Léger to the Senate deserves to be recognized. The presence among us of an artist whose concerns lie with the world of culture and the inventions of the mind has brought a new diversity to the Senate.

That is a valuable contribution, because exposure to different horizons makes us more open and questioning. Literature and the theatre play a significant role in our lives. Great words and the actors who bring them to life help us to fill an essential need, the need to dream and to allow imagination to guide us.

Actors move us to question reality. They are teachers who let us discover the world through the different emotions they bring to life in us. Those who tell a story can transform us. Senator Léger, in her way, has also transformed us. We should be proud to have had her as a colleague.

#### [English]

Hon. Tommy Banks: Senator Léger, you have not been with us long enough. We all wish you would be with us a great deal longer. I know that you do also because, despite your distinguished career, you have witnessed astounding performances here. I know that you will miss our performances, and we will certainly miss yours.

It is not often when any of us speak in this place that all of our colleagues are enraptured. Each time you have risen to speak, regardless of the subject matter, your delivery has held this house in rapture, and "rapture" is precisely the right word.

You came here after having established a famous character, La Sagouine, in the Canadian theatrical and literary milieu, but you have impressed us with your own character, which is of the highest quality. We will miss you greatly. I hope you will come back to visit us often, Senator Léger.

#### [Translation]

Hon. Viola Léger: Honourable senators, I have not prepared a speech, because I gave my speech on May 19. That was my legacy to the Senate on arts and culture. Now, I am going to follow the recommendation of one of my great mentors, Senator Jean Lapointe, who always says, "I will be brief!" I will take my cue from him and simply offer my thanks.

Thank you, Senator Losier-Cool, for having been my sponsor, for having been there for me! Many, many thanks, Suzanne Belliveau. I do not know what I would have done without her. I had an assistant who welcomed a senator who knew nothing, but who thought she knew a good deal. So, it was not easy. Thank you to Momar Diagne for helping me to express what I wanted to say.

Thank you to the staff of the Senate. The greeting of the security staff! I was not accustomed to that; but I enjoyed it very much. Many thanks to the white gloves, it was wonderful! Thanks to all the pages, to the Usher of the Black Rod, to the Mace Bearer. Honourable senators, thank you for having enriched my life.

#### [English]

The Hon. the Speaker: I remind honourable senators that those who might wish to continue tributes to Senator Léger are invited to do so under Order No. 23 under "Other" on the Order Paper.

Hon. Jean Lapointe: Honourable senators, I wished to speak before Senator Léger spoke. I do not know whether I will be breaking a rule if I speak now. Senator Léger is a close friend of mine, and I will be very brief.

#### [Translation]

Honourable senators, in a short while my great friend the Honourable Viola Léger will be leaving the Senate. We will be losing not only a senator whose presence was felt throughout this chamber, but also a woman of great culture who has represented Acadia with brilliance.

Like the night stars, she brought her sparkle to this place. Viola, my colleague, my friend, my confederate, I wish you health, and if God grant me time, I dream that one day we may perform together on stage.

You are dear to me and I want you to know that all your colleagues in the Senate have recognized your true worth. I will close by saying that in a corner of my heart there will be a perpetual tear every time I see the void left by your departure.

#### [English]

#### ROUTINE PROCEEDINGS

#### **AUDITOR GENERAL**

#### 2004-05 ANNUAL REPORT ON PRIVACY ACT TABLED

**The Hon. the Speaker**: Honourable senators, I have the honour to table a report from the Office of the Auditor General, Privacy Act, for the fiscal year ended March 31, 2005.

#### NATIONAL DEFENCE AND CANADIAN FORCES OMBUDSMAN

2004-05 ANNUAL REPORT TABLED

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour to table the annual report 2004-05 of the Ombudsman, National Defence and Canadian Forces, A Time of Change — A Time for Change.

**•** (1440)

#### STUDY ON ISSUES RELATED TO MANDATE

SECOND INTERIM REPORT OF ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES COMMITTEE TABLED

Hon. Tommy Banks: Honourable senators, I have the honour to table, in both official languages, the eighth report of the Standing Senate Committee on Energy, the Environment and Natural Resources, an interim report entitled: Sustainable Development: It's Time to Walk the Talk.

I move that the report be placed on the Orders of the Day for consideration at the next sitting of the Senate.

The Hon. The Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and report placed on the Orders of the Day for consideration at the next sitting of the Senate.

[Translation]

# STUDY ON OPERATION OF OFFICIAL LANGUAGES ACT AND RELEVANT REGULATIONS, DIRECTIVES AND REPORTS

INTERIM REPORT OF OFFICIAL LANGUAGES
COMMITTEE TABLED

Hon. Eymard G. Corbin: Honourable senators, I have the honour to table the sixth report of the Standing Senate Committee on Official Languages, entitled French-Language Education in a Minority Setting: A Continuum from Early Childhood to Postsecondary Level.

I move that the report be placed on the Orders of the Day for consideration at the next sitting of the Senate.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

On motion of Senator Corbin, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

[English]

#### STUDY ON NATIONAL SECURITY POLICY

TOWN HALL MEETINGS— NOVEMBER 2004-JUNE 2005— REPORT OF NATIONAL SECURITY AND DEFENCE COMMITTEE TABLED

Hon. Colin Kenny: Honourable senators, I have the honour to table, in both official languages, the eighth report of the Standing Senate Committee on National Security and Defence concerning town hall meetings conducted by the committee from November 2004 to June 2005.

I move that the report be placed on the Orders of the Day for consideration at the next sitting of the Senate.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and report placed on the Orders of the Day for consideration at the next sitting of the Senate.

#### NATIONAL SECURITY AND DEFENCE

BUDGET—REPORT OF COMMITTEE ON STUDY OF VETERANS' SERVICES AND BENEFITS, COMMEMORATIVE ACTIVITIES AND CHARTER PRESENTED

Hon. Michael A. Meighen, for Senator Kenny, Chair of the Standing Senate Committee on National Security and Defence, presented the following report:

Tuesday, June 14, 2005

The Standing Senate Committee on National Security and Defence has the honour to present its

#### NINTH REPORT

Your Committee, which was authorized by the Senate on Thursday, November 4, 2004, to examine and report on the services and benefits provided to veterans in recognition of their services to Canada, respectfully requests the approval of funds for fiscal year 2005-2006.

Pursuant to Chapter 3:06, section 2(1)(c) of the Senate Administrative Rules, the budget submitted to the Standing Committee on Internal Economy, Budgets and Administration and the report thereon of that Committee are appended to this report.

Respectfully submitted,

MICHAEL A. MEIGHEN
For the Chair

(For text of budget, see today's Journals of the Senate, p. 1003.)

The Hon. The Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Meighen, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

#### STUDY ON NATIONAL SECURITY POLICY

MEETINGS HELD IN UNITED STATES— APRIL 14-21, 2005—REPORT OF NATIONAL SECURITY AND DEFENCE COMMITTEE TABLED

Hon. Colin Kenny: Honourable senators, I have the honour to table, in both official languages, the tenth report of the Standing Senate Committee on National Security and Defence concerning meetings held in the United States from April 14 to 21, 2005.

I move that the report be placed on the Orders of the Day for consideration at the next sitting of the Senate.

The Hon. The Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and report placed on the Orders of the Day for consideration at the next sitting of the Senate.

#### MEETINGS HELD IN EUROPE—MAY 6-12, 2005— REPORT OF NATIONAL SECURITY AND DEFENCE COMMITTEE TABLED

Hon. Colin Kenny: Honourable senators, I have the honour to table, in both official languages, the eleventh report of the Standing Senate Committee on National Security and Defence concerning meetings held in Europe from May 6 to 12, 2005.

I move that the report be placed on the Orders of the Day for consideration at the next sitting of the Senate.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and report placed on the Orders of the Day for consideration at the next sitting of the Senate.

#### REPORT OF NATIONAL SECURITY AND DEFENCE COMMITTEE ENTITLED BORDERLINE INSECURE TABLED

Hon. Colin Kenny: Honourable senators, I have the honour to table, in both official languages, the twelfth report of the Standing Senate Committee on National Security and Defence entitled Borderline Insecure.

I move that the report be placed on the Orders of the Day for consideration at the next sitting of the Senate.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and report placed on the Orders of the Day for consideration at the next sitting of the Senate.

#### MEETINGS HELD IN AFGHANISTAN— MAY 16-18, 2005—REPORT OF NATIONAL SECURITY AND DEFENCE COMMITTEE TABLED

Hon. Colin Kenny: Honourable senators, I have the honour to table, in both official languages, the thirteenth report of the Standing Senate Committee on National Security and Defence concerning meetings held in Afghanistan from May 16 to 18, 2005.

I move that the report be placed on the Orders of the Day for consideration at the next sitting of the Senate.

**The Hon. the Speaker:** Is it your pleasure, honourable Senators, to adopt the motion?

Motion agreed to and report placed on the Orders of the Day for consideration at the next sitting of the Senate.

[Translation]

#### CRIMINAL CODE CANADA EVIDENCE ACT

#### BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-2, to amend the Criminal Code (protection of children and other vulnerable persons) and the Canada Evidence Act.

Bill read first time.

The Hon. the Speaker: Honourable senators, when shall this bill be read the second time?

On motion of Senator Rompkey, bill placed on the Orders of the Day for second reading two days hence.

[English]

#### CANADA BORDER SERVICES AGENCY BILL

#### FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-26, to establish the Canada Border Services Agency.

Bill read first time.

The Hon. the Speaker: Honourable senators, when shall this bill be read the second time?

On motion of Senator Banks, bill placed on the Orders of the Day for second reading two days hence.

#### **QUESTION PERIOD**

#### CANADA-UNITED STATES RELATIONS

NORTH DAKOTA—DEVILS LAKE DIVERSION

Hon. Janis G. Johnson: Honourable senators, my question is to the Leader of the Government in the Senate. It concerns the Devils Lake water diversion project, which, as he knows, is now scheduled to open on July 1, despite our efforts.

Can the leader comment on the letter to the editor published in *The Globe and Mail* on June 9 by John Dickson, chargé d'affaires at the U.S. embassy, who wrote that Canada could have had many of its answers about the current Devils Lake project answered if it had chosen to engage in an International Joint Commission study on a previous Devils Lake proposal by the U.S. Army Corps of Engineers in 2002? What is the government's response to this assertion? Could the leader also explain why the government did not pursue an International Joint Commission study of this previous proposal?

Hon. Jack Austin (Leader of the Government): I will take the question as notice, honourable senators.

**Senator Johnson:** I will ask a supplementary question as well because July 1 is fast approaching.

The Prime Minister has raised the matter of Devils Lake with President Bush four times in the last 14 months and has assured us that the issue has the President's highest attention. Does the government not find it disconcerting that despite Paul Martin's diplomacy and assurance, this previous, unrealized proposal is being employed by officials of the U.S. government at this stage in the process? This is my concern. Considering the view articulated by the U.S. chargé d'affaires, what is the government's latest thinking on the prospect of the United States agreeing to an IJC reference on the current project before July 1?

• (1450)

Senator Austin: Honourable senators, I will take that question as notice. It is very similar to the first question.

#### **UNRESOLVED ISSUES**

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, my question is addressed to the Leader of the Government in the Senate. The Liberal government has shown us that it is unable to deal with the U.S. on a number of levels. The borders have remained tightly shut to Canadian farmers since May 2003 when a Canadian-born cow was found to have BSE. Trade disputes related to softwood lumber have dragged on for years. The government has made no headway in stopping North Dakota's Devils Lake diversion project, which will greatly damage Manitoba lakes and rivers when the water starts flowing.

Now, according to the *Ottawa Citizen*, the U.S. practice of shipping terrorist suspects to countries where they may be tortured "represents a 'systemic peril' to the RCMP's ability to share intelligence."

Honourable senators, this government is flailing about, unable to get the attention of our neighbours to the south. We seem to be

powerless in this relationship, with four fairly serious issues that have yet to be dealt with. Some have been going on for years. What will Paul Martin do to strengthen our position so that Canada can have some say about what is going on in North America? When will he start doing it?

Hon. Jack Austin (Leader of the Government): Honourable senators, of course, the question is full of empty rhetoric on the part of Senator Stratton. As I have said often, and as I think Canadians understand, the relationship between Canada and the United States is an excellent one. It does not serve Canada's interests for questions of this type, which are empty in facts, to be constantly bruited about, particularly in the media, which can seize on claims and innuendos and not take account of reality.

Honourable senators know that the government has done all that can be done in each of the issues to which Senator Stratton has referred. We have pursued the United States on the softwood lumber issue in every bilateral and international forum and have won repeatedly. If Senator Stratton knows how to move Congress on international trade issues, we would welcome his disclosure.

With respect to the Devils Lake water diversion, I have answered several times that we have made every effort to persuade the United States to make a reference with respect to the unilateral actions of the State of North Dakota. There have been references to earlier studies by the U.S. Army Corp of Engineers, and I have taken notice of Senator Johnson's question so I can answer it in detail. That is not the issue. The issue relates to the unilateral creation of a circumstance by one U.S. state, on which the Secretary of State has as yet taken no action.

The Government of Canada has taken every possible step to deal with the closed border on Canadian cattle over the age of 30 months. It may have escaped Senator Stratton's notice that the United States Department of Agriculture has supported the opening of the border with the United States and that it is a federal court in Montana that has issued an injunction. That is their judicial process. If Senator Stratton knows how to obviate the judicial process of the federal court in Montana, I would welcome his advice.

Honourable senators, this is not a helpful set of questions because it is not fact based.

Senator Stratton: I beg to differ. I mentioned three specific cases: BSE, softwood lumber and now Devils Lake. We have 16 days left to act on the proposed Devils Lake water diversion. What is your government doing?

Senator Austin: Everything that can be done has been done, and it has been done well. If Honourable Senator Stratton knows how to motivate the U.S. courts or the Congress, we would welcome his constructive suggestions.

**Senator Stratton:** I have a suggestion. How about sending former Prime Minister Brian Mulroney there? We will then see how things can be dealt with?

Senator Austin: Honourable senators, is that a suggestion made by Senator Stratton on the request of former Prime Minister Brian Mulroney?

#### **HEALTH**

PUBLIC HEALTH AGENCY—WEST NILE VIRUS AND AVIAN FLU—EFFORTS TO CONTROL AND CONTAIN SPREAD

Hon. Wilbert J. Keon: Honourable senators, my question is for the Leader of the Government and has to do with the West Nile virus. Last week, I heard serious concerns expressed by global leaders that we could be facing a pandemic of West Nile virus. The cooler temperatures of last summer may have contributed to the low number of human cases of West Nile virus last year. There were only 26 confirmed human cases in 2004, which was significantly lower than the previous year. This summer, however, Environment Canada says that temperatures will be warmer than average, and a resulting rise in the number of mosquitoes could lead to a rise in the number of human West Nile cases. Could the Leader of the Government inform us of the status of Health Canada and the Public Health Agency's preparations to deal with this possible variation?

Hon. Jack Austin (Leader of the Government): I thank the honourable senator for his question. This issue is being monitored by the Public Health Agency of Canada, which is based in Winnipeg. As the honourable senator says, the number of incidents is certainly expected to be different than the number during last year's relatively cold and wet season. I cannot add any further information at this time.

Honourable senators, I want to use this occasion to praise the Public Health Agency for its outstanding work in dealing with the Marburg and Ebola viruses, which have attracted global attention. I make that comment gratuitously but deservingly, I believe.

**Senator Keon:** That is fair enough, and I join the minister in highly commending what the agency has achieved thus far.

I have heard that should the virus that causes the avian flu invade domestic chickens, the spread can be controlled by vaccination of the fowl. Could the Leader of the Government make an inquiry and tell us whether such a vaccine is available to Canadians? I know it is available in other countries such as Thailand. Domestic fowl can be vaccinated if the virus happens to get into the domestic fowl pool.

Senator Austin: I will be happy to try to provide an answer quickly.

#### CANADA-UNITED STATES RELATIONS

DEPARTMENT OF STATE— 2005 REPORT ON TRAFFICKING IN PERSONS

Hon. Consiglio Di Nino: Honourable senators, my question for Leader of the Government in the Senate concerns a report recently released by the U.S. Department of State on international trafficking in persons, one of the most despicable acts against humanity.

Although the U.S. State Department has been critical of our country's efforts against human trafficking in recent years, this year's report moves Canada back into the highest tier of compliance for the elimination of trafficking. However, the State Department continues to be critical of our government on several different fronts, including the low number of prosecutions and convictions of traffickers, the lack of coordination and data collection on the victims, and the controversial exotic dancer visa program, which the report notes has not been entirely suspended. Could the Leader of the Government in the Senate provide us with the federal government's response to the criticism laid out in this report?

Hon. Jack Austin (Leader of the Government): Honourable senators, our response with respect to the issue of human trafficking and the application of domestic law has been provided by the Minister of Justice, who has announced that legislation is under way to deal with certain aspects that will bring human trafficking under closer supervision and control.

• (1500)

With respect to the report itself, I cannot comment specifically at this moment but I will be happy to provide a detailed answer to Senator Di Nino.

Senator Di Nino: Honourable senators, the report from the U.S. Department of State made repeated mention of trafficking of South Koreans into Canada, noting the possible abuse or lack of a visa requirement. One such passage reads:

Airline passenger analysis shows that the number of Koreans returning to Korea on flights from Vancouver, Canada, is 25 per cent less than the number arriving on flights from Korea, but the ties to trafficking are not known.

Could the Leader of the Government in the Senate make inquiries as to whether the federal government agrees with this particular finding from the U.S. Department of State? If so, are there any investigations underway to determine if there is a link to human trafficking?

**Senator Austin:** I will take notice of that question. As the Honourable Senator Di Nino is aware, Canada does not have visa requirements with respect to citizens of South Korea seeking to enter Canada.

**Senator Di Nino:** My concern is the accusation in this report that human trafficking is taking place between Korea and Canada. They are suggesting that this may be one of the areas where we could be taking a look.

I am sure all honourable senators would agree that trafficking is one of the most despicable acts against humanity, particularly when it deals with women and children. This report is asking if we are doing everything we possibly can to stop this insanity, which happens to intrude into our country from time to time.

Senator Austin: Honourable senators, this issue is at the fore in terms of government policy, and I will endeavour to provide whatever additional information I can in answer to Senator Di Nino's question.

#### ROYAL CANADIAN MOUNTED POLICE

RESPONSE TO FINANCIAL TRANSACTIONS REPORTS ANALYSIS CENTRE—RESPONSE TO REPORTS ON MONEY LAUNDERING

Hon. David Tkachuk: Honourable senators, according to a Canadian Press story that appeared in several newspapers earlier this month, in 2003 the RCMP did not pursue more than a third of the money laundering tips passed on by the Financial Transactions Reports Analysis Centre of Canada, for the simple reason that it did not have the resources. In Canada's three largest cities, almost half the tips from FINTRAC were abandoned, again because the RCMP did not have adequate resources.

Why does the government continue to pour money into the gun registry budget while failing to provide the RCMP with the necessary funds to pursue tips that could lead to arrests of those who launder the proceeds of crime or who finance terrorist activities?

Hon. Jack Austin (Leader of the Government): Honourable senators, as to the first part of the question, I will make inquiries to determine and advise the chamber whether the RCMP takes the position that it needs additional funds to deal with reports from FINTRAC on money laundering.

As to the other part of the question, the government is firmly committed to its policies relating to gun control and believes that the registration of guns has had an ameliorative effect on the use of guns in the commission of crimes. That is the opinion of the police forces of Canada.

Senator Tkachuk: Last week, the Minister of Finance announced that Canada has agreed to take on the presidency of the Financial Action Task Force for a 12-month period beginning July 2006. This task force was originally created in 1989 to combat money laundering, and more recently has had the fight against terrorist financing added to its mandate.

Now that Canada is assuming the presidency of the Financial Action Task Force, does the government plan to lead by example in ensuring that the RCMP has the necessary resources to pursue all of the relevant money laundering and terrorist financing leads passed on by FINTRAC?

Senator Austin: I do not accept the premise of Senator Tkachuk's question. By taking on the international task force responsibilities, Canada has demonstrated its deep concern for the issue of money laundering and the use of funds for crime and terrorist purposes. The government, as I have said, believes that domestic activities are properly provided for, but I will pursue the first question that Senator Tkachuk asked.

#### PUBLIC SAFETY AND EMERGENCY PREPAREDNESS

FIREARMS CENTRE—EFFICACY OF REGISTRY IN REDUCING VIOLENT CRIME

Hon. David Tkachuk: Honourable senators, the Leader of the Government in the Senate, in answering the previous question, said that the gun registry was assisting the police in reducing the crime rate and the murder rate. I wonder if he could produce statistics for the gun registry to support this claim. I would ask that he also produce statistics for the Gun Control Act passed in the 1930s for handguns and table it here to show how handgun control has lowered the murder rate.

Hon, Jack Austin (Leader of the Government): Honourable senators, I will seek that information. It is my information and belief that the use of guns in violent crimes has declined.

#### NATIONAL DEFENCE

GAGETOWN—TESTING OF AGENT ORANGE AND AGENT PURPLE

Hon. Michael A. Meighen: Honourable senators, the Minister of National Defence recently acknowledged that the U.S. military tested the herbicide Agent Orange over CFB Gagetown in the 1960s. Agent Orange contains dioxin, a proven carcinogenic chemical. New studies indicate that Agent Orange was used as early as 1956, although the government only acknowledges its use in 1966 and 1967.

Yesterday, there was yet another revelation linked to these joint American-Canadian tests. The U.S. Army report indicated that the herbicide Agent Purple, which is three times more toxic than Agent Orange, was also tested over CFB Gagetown in 1966.

My question to the Leader of the Government in the Senate is as follows: Since both the United States and Canada were apparently cooperating on these tests that occurred on Canadian soil, surely the government should know exactly what was tested and when. These herbicides have been known to contain dioxin since 1971. One would assume that American and Canadian authorities have been in contact at some time over the last 34 years to discuss the issue. When will the government come clean and let Canadians know exactly which chemicals were sprayed over Canadian soil, and on what dates these tests occurred?

Hon. Jack Austin (Leader of the Government): Honourable senators, as the Honourable Senator Meighen is aware, these two toxic agents, Agent Orange and Agent Purple, were used in remote areas of the Gagetown base in the 1960s. At that time, they were commercially available and the degree of risk was not known. Much more is known about these chemicals today than was known when they were first used.

The Department of National Defence is now searching for all available information with respect to when these two toxic chemicals were used and in what areas, and to determine who was affected by them.

I wish to assure honourable senators that if there is any report of health effects from the use of these chemicals, the department will be anxious to assist that individual or those individuals.

Senator Meighen: That is encouraging news, because I think it is new news. Honourable senators are aware that the Minister of National Defence has regularly indicated that some sort of compensation is in the works for veterans. The minister, however, continues to avoid the question of whether or not civilians who worked at CFB Gagetown would also be compensated. These civilians who worked at Gagetown have since developed a plethora of diseases such as cancer and emphysema. Some of these civilians, who were teenagers at the time, were involved in clearing the brush after the aerial release of these toxic chemicals, putting them in direct contact.

Will the government — and I take it from the comments of the leader that it will — take steps to compensate civilians, not to mention veterans? Does the government intend not to do so and to thereby maintain a double standard between veterans and civilians?

Senator Austin: Honourable senators, the question is a good one, and I am happy to answer that the government has programs in place for civilian government employees who may have been affected by the use of Agent Orange and/or Agent Purple.

Where they were employees of private corporations, there is also additional recourse to provincial worker's compensation boards.

• (1510)

#### GAGETOWN—TESTING OF AGENT ORANGE AND AGENT PURPLE—TIMING IN RELATION TO STATED POSITION ON VIETNAM WAR

Hon. David Tkachuk: Prime Minister Pearson was opposed to the Vietnam War and had made that clear, in public, to the President of the United States, Lyndon Johnson. At the same time as he was doing that, was he making arrangements to have the testing of Agent Orange done on Canadian bases? Can the leader determine whether there were other bases where testing of weapons by the Americans for use in Vietnam was done on Canadian soil?

Hon. Jack Austin (Leader of the Government): Honourable senators, I will certainly take the question as notice. I wish to refute immediately any implication of duplicitous behaviour on the part of former Prime Minister Pearson.

Senator Tkachuk: That is too bad.

[Translation]

#### **DELAYED ANSWERS TO ORAL QUESTIONS**

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour to present five delayed answers to oral questions raised in the Senate. The first is in response to an oral question raised on May 4, 2005 by Senator

Stratton regarding health services obtained by the Prime Minister. The second is in response to a question raised on June 1, 2005 by Senator Angus regarding bank mergers and the release of guidelines.

[English]

The third response is to a question raised by Senator LeBreton on June 7 in regard to Crown corporations extending access to information. The fourth is in response to oral questions raised on May 31, 2005 by the Honourable Senator Oliver regarding the legislative and regulatory framework for federally regulated pension plans, fund to guaranteed pensions. The last delayed answer is in response to an oral question raised on June 7, 2005 by the Honourable Senator Gerry St. Germain concerning malachite green.

#### PRIME MINISTER

#### USE OF PRIVATE HEALTH CARE FACILITIES

(Response to question raised by Hon. Terry Stratton on May 4, 2005)

The prime minister visits his doctor at a clinic where anyone can walk off the street and get services. He uses his health card every time to pay for any primary health care services like millions of Canadians.

#### FINANCE

#### BANK MERGERS—RELEASE OF GUIDELINES

(Response to question raised by Hon. W. David Angus on June 1, 2005)

The Minister of Finance has indicated that the government's policy paper on large bank mergers would be released in due course.

Given the importance of this issue, the Minister has also indicated that he would like to consult with opposition parties to assess positions and to ensure that a discussion of policy in this area would occur in a constructive environment.

#### JUSTICE

# ACCESS TO INFORMATION ACT—LEGISLATION TO AMEND—LEGISLATION TO INCLUDE CROWN CORPORATIONS

(Response to questions raised by Hon. Marjory LeBreton on June 7, 2005)

There are currently eighteen parent Crown corporations not subject to the *Access to Information Act*. (Three of these are wholly-owned subsidiaries required to report as if they were parent Crown corporations.)

The government is currently planning to schedule ten of these eighteen Crown corporations under the Access to Information Act by means of an Order-in-Council. We expect the Order-in-Council to be effective as of September 1, 2005, permitting the Crown corporations time to organize and set up Access to Information offices, including hiring and training employees.

The government is of the view that seven Crown corporations require additional protections before being made subject to the Access to Information Act. Officials in the Department of Justice and the Treasury Board Secretariat are currently working with these Crown corporations to develop appropriate exemptions under the Act to provide stronger protections for commercially-sensitive and third party information. In addition, the Canadian Broadcasting Corporation requires a new exemption under the Act to protect programming and journalistic integrity. These exemptions will require amendments to the Access to Information Act and will be submitted to Parliament for review as part of a larger reform initiative.

The Canada Pension Plan Investment Board is a unique Crown corporation in that, like the Canada Pension Plan itself, federal and provincial governments jointly govern it. Any legislative and regulatory changes affecting it must be approved by two-thirds of the provinces representing two-thirds of Canada's population before they can take effect. The Canada Pension Plan has in place a policy review process that requires federal and provincial governments to review the plan every three years. During the current triennial review, which is expected to be completed by the end of this year, federal and provincial governments will review the issue of extending the Access to Information Act to the Canada Pension Plan Investment Board.

#### FINANCE

LEGISLATIVE AND REGULATORY FRAMEWORK FOR FEDERALLY REGULATED PENSION PLANS— FUND TO GUARANTEE PENSIONS

(Response to question raised by Hon. Donald H. Oliver on May 31, 2005)

On May 26, the Department of Finance released a consultation paper on strengthening the regulatory framework for defined benefit pension plans registered under the *Pension Benefits Standards Act, 1985*. The Department of Finance will receive submissions until September 15. The timing of next steps will depend on the outcome of the consultations.

The Department of Finance is seeking views on a broad range of issues with respect to the legislative and regulatory framework for federally regulated defined benefit pension plans. One of these issues is the viability and possible design of a federal pension guarantee fund. The department has not made any commitment to the creation of such a fund. The

paper identifies a number of considerations. Depending on the results of the consultation, the department will provide a recommendation to the Minister of Finance in due course.

#### CANADIAN FOOD INSPECTION AGENCY

CAMPBELL RIVER AQUACULTURE FARM—PRESENCE IN CHINOOK SALMON OF BANNED CHEMICAL MALACHITE GREEN

(Response to question raised by Hon. Gerry St. Germain on June 7, 2005)

1. Can the government leader please update us on what efforts the CFIA is engaged in to discover how this banned substance made its way into the chinook salmon farm in Campbell River?

When the CFIA was advised, it took immediate recall action to recover all available product.

The CFIA took this action after being advised by the BC Ministry of Agriculture Food and Fisheries (BCMAFF) that they had identified the presence of Leucomalachite green (a metabolite of malachite green) in chinook salmon.

The CFIA continues to collaborate with the province as they continue their investigation. Provincial governments have the responsibility for aquaculture leases and licenses.

On 7 June, 2005, the CFIA issued a Communiqué to federally regulated fish processing establishments and licensed fish importers reminding them of their responsibilities in the production of safe and quality fish and fish products.

2. Can the Minister find out how carcinogenic this chemical is and whether it does pose a danger to those people who consumed the 85,000 fish?

Health Canada (HC) is responsible for establishing food safety standards in Canada. The CFIA's role is to enforce the food safety standards established by Health Canada.

Malachite green (MG) is not approved in Canada for use in any food-producing species, including fish, therefore a comprehensive evaluation has never been conducted. The actual risk to human health from MG/Leucomalachite green (LMG) residues in fish are unknown, however the carcinogenic potential of these compounds can not be ruled out based on the available scientific information from laboratory animal studies. The levels of residues detected in the fish have been extremely small (below 1.5 parts per billion) nevertheless, since the dose response for this chemical is not known, a safe level of exposure cannot be determined. Given the low levels of MG/LMG residues detected in contaminated fish, the probability of serious adverse consequences is considered remote. As a precautionary measure, Canada is taking a zero tolerance policy in order to minimize the risk to Canadians from being exposed to a potential carcinogen.

3. Could the Leader of the Government in the Senate advise us of CFIA's policy for issuing for public alerts?

Public alerts are normally issued with Class I health risks. Such risks (Class I) are of sufficient magnitude and concern that even the additional exposure from small quantities in consumer's possession is to be avoided. This level of risk was not identified for the malachite green contamination in these fish. Health Canada and the CFIA recommended that this issue be labelled as a Class II hazard until such time as new scientific evidence is available and can be evaluated.

Longer term exposure was to be avoided and that is the reason for the removal of the product from further distribution in the food supply.

#### ORDERS OF THE DAY

#### **BUSINESS OF THE SENATE**

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I would ask that number 7 on the Order Paper, Bill C-22, be called first. That is the bill to establish the Department of Social Development. We can then proceed to all other items as they stand on the Order Paper.

#### DEPARTMENT OF SOCIAL DEVELOPMENT BILL

SECOND READING—DEBATE ADJOURNED

Hon. Sharon Carstairs moved second reading of Bill C-22, to establish the Department of Social Development and to amend and repeal certain related Acts.

She said: Honourable senators, I am pleased to have this opportunity to outline what I believe are the many benefits of the legislation before us. I welcome this chance to explain the process leading to the creation of Social Development Canada, or SDC, and to provide a brief overview of the many advantages to Canadians of having a department focused solely on social policy development and implementation. Bill C-22, which is largely administrative in nature, provides a legal basis for the Orders-in-Council of December 12, 2003.

The bill will formalize the legal structure and confirm in law the work of the department since the Prime Minister announced the reorganization of the former Department of Human Resources Development, or HRDC. The decision to split HRDC to create the departments of social development and human resources and skills development reflects the advice of parliamentarians.

The June 2000 report of the House Standing Committee on Human Resources Development and the Status of Persons with Disabilities recommended this division of responsibilities. The capacity to advance the social agenda was enhanced by the July 2004 decision to create a Minister of State for Families and Caregivers, providing a new focal point for the government's commitments with respect to families and those who care for family members.

It was also strengthened with the appointment of a parliamentary secretary to the Minister of Social Development with special emphasis on social economy. These appointments reflect the priority Canadians place on strengthening our country's social foundations.

The minister has been mandated to make SDC the focal point for social policy development within the Government of Canada. His task is to work horizontally within the federal system and in full partnership with other levels of government, voluntary and non-profit organizations, social entrepreneurs and the private sector to promote social well-being and income security for Canadians.

SDC strengthens Canada's social foundations by ensuring that families with children, people with disabilities and Canada's seniors have the supports they need to participate and play an active role in the life of our country. In so doing, it helps to create stronger communities where each and every Canadian is fully included.

Honourable senators, this bill affirms the core values Canadians hold dear. I firmly believe that Canadians share a sense of collective responsibility for the welfare of all members of our communities. We want all Canadians, especially the most vulnerable and disadvantaged, to have the social supports they need to enjoy a good standard of living and quality of life.

For example, quality child care is one of the most critical supports today's parents require. What once may have been considered a luxury is now a national necessity. Parents expect that their children will have quality learning experiences and be well cared for as they pursue family, community and work commitments. That is why the Government of Canada recently confirmed its commitment of \$5 billion over five years, with \$700 million being made available immediately for an early learning and child care initiative to be developed in collaboration with the provinces and territories.

SDC is working to ensure that provinces and territories have the flexibility to best meet the needs of their citizens and also meet a core set of principles agreed to by federal, provincial and territorial ministers in November 2004: high quality, universally inclusive, accessible and developmental.

In addition, the government has made significant investments in addressing child poverty. By 2007-08, the combined National Child Benefit Supplement and the Canada Child Tax Benefit expenditures are projected to reach \$10 billion.

The department's commitment to the social well-being of all Canadians is particularly clear in its efforts to address the needs of today's and tomorrow's seniors. The public pension programs that Social Development Canada administers are critically important sources of income for Canadian seniors. They are also the federal government's biggest single expenditure.

Likewise, the recent budget announced an increase to the Guaranteed Income Supplement of \$2.7 billion over the next five years. This will help ensure that the needs of this generation of low income seniors, and those who will follow, are met.

Similarly, there will be increases for the New Horizons for Seniors program of \$60 million over five years. Increases to this program will ensure that seniors continue to play active roles in their communities as they move into retirement.

Given the rapid increase in the number of seniors as Canada's baby boomers retire, we must be prepared to meet future needs as well as seize the opportunities these healthier, better educated and engaged seniors will present. SDC's mandate, which will include establishing a national senior's secretariat, will help ensure that this happens.

One of the impacts of our aging population is a growing reliance on family caregivers to help elderly relatives with their everyday activities. This will continue in the coming years, given demographic trends. The 2004 Speech from the Throne committed Social Development Canada to developing a national consultation and engagement strategy to identify measures to improve support for informal caregivers. The Minister of State for Families and Caregivers is currently engaged in a series of national round tables to consult with experts and stakeholders, and with Canadian caregivers themselves.

#### **(1520)**

Honourable senators, people with disabilities rightly expect to be treated with dignity and to have equal opportunities to live life to the fullest. They expect governments to create a level playing field for them in order that they can achieve their full potential, and to reassure them that Canada remains a world leader in social development and human rights.

With SDC playing a leadership role in advancing this goal, the Government of Canada allocates \$6.7 billion a year for income support, tax measures and programs for Canadians with disabilities. This includes \$253 million to help people with disabilities find and retain employment and \$50 million to help families care for disabled children.

Non-profit and voluntary sector organizations and social entrepreneurs are increasingly at the forefront in meeting the needs of the disadvantaged and the disenfranchised. These groups expect to be heard and heeded in discussions about the best ways to build a compassionate, healthy, productive and just society. SDC works closely with the non-profit and voluntary sector under the Voluntary Sector Initiative that, among other things, provides increased opportunities for these organizations to engage in developing public policy.

Social Development Canada is also an integral part of the government's commitment to supporting the social economy—those businesses that reinvest in their community by using their skills and services for social goals. The government has announced that over the next five years it will invest \$132 million in the social economy, recognizing its importance in creating vibrant and sustainable communities.

One of the many strengths of Social Development Canada is its ability to bring all the parties with a role in social development together to see where the many partners' efforts complement each other and where there are still gaps that need to be acted upon. These strengths enable SDC to take a more cohesive, integrated approach to social development that is linked to the real lives and expectations of Canadians.

A further feature of the proposed Department of Social Development Act of particular importance to Canadians is its protection of personal information code that respects and protects Canadians' privacy. The code governs the disclosure of personal data and ensures due diligence for the management of personal information. It is based on existing codes found in the Canada Pension Plan and the Old Age Security Act and will operate in conjunction with the Privacy Act. This code will form a detailed framework for all of the department's current and future programs.

Although the majority of the provisions in this legislation are taken from the former Department of Human Resources Development Act, there is one amendment of special interest to Canadians with disabilities. Bill C-22 will repeal the Vocational Rehabilitation of Disabled Persons Act, which became obsolete in 1998 when more modern federal-provincial agreements were reached to enhance programs and services for people with disabilities.

Honourable senators, as necessary as it is to talk about the mechanics of this act and the various responsibilities and authorities it contains, it is even more important to talk about the progress this legislation makes possible. Canadians expect their governments to keep pace with the new realities of the world around us. At the same time, they want to be sure we continue to reflect their unwavering values, ensuring all members of our community share fully in the benefits of Canadian citizenship.

With the creation of Social Development Canada, all of these objectives can be achieved. It is now up to us to work toward the passage of this worthy legislation to ensure that Canadians can count on progressive social policy development that reflects their needs and their priorities well into the 21st century.

On motion of Senator Stratton, debate adjourned.

CANADA SHIPPING ACT
CANADA SHIPPING ACT, 2001
CANADA NATIONAL
MARINE CONSERVATION AREAS ACT
OCEANS ACT

BILL TO AMEND—THIRD READING—DEBATE ADJOURNED

Hon. Bill Rompkey (Deputy Leader of the Government) moved third reading of Bill C-3, to amend the Canada Shipping Act, the Canada Shipping Act, 2001, the Canada National Marine Conservation Areas Act and the Oceans Act.

He said: Honourable senators, Senator Moore is unavoidably absent today. I hope we can find agreement to put this bill to a vote on third reading now. It has been examined thoroughly in committee and my understanding is there are no amendments or observations contemplated. I hope that we can move it along at this point.

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, Senator Angus is our critic on this bill and I would like to talk to him before proceeding with this item.

On motion of Senator Stratton, for Senator Angus, debate adjourned.

[Translation]

#### DEPARTMENT OF HUMAN RESOURCES AND SKILLS DEVELOPMENT BILL

#### SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Carstairs, P.C., seconded by the Honourable Senator Rompkey, P.C., for the second reading of Bill C-23, to establish the Department of Human Resources and Skills Development and to amend and repeal certain related Acts.

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I am pleased to speak today to the debate on Bill C-23, to establish the Department of Human Resources and Skills Development and to amend and repeal certain related Acts.

[English]

The new Department of Human Resources and Skills Development, or HRSD, and the new Department of Social Development, to be created with Bill C-22, are the result of the splitting up of the old Department of Human Resources Development Canada. HRSD has been operating for a year and a half, since December 2003, under an Order-in-Council.

We have had to wait all this time for the opportunity to debate the wisdom of dividing the old HRDC into two parts. The delay is inexcusable. This bill was not even introduced until last November, almost a year after the department was created. There was plenty of time during that year, even with an election, to debate this change. However, there was no opportunity for input from Parliament or from Canadians on the creation of this department. The department was created because Paul Martin wanted it to be created. The end result is that we are debating a change that was signed, sealed and delivered in 2003.

All honourable senators are aware of the terrible cost that would be incurred if we were to try to put the two departments back together at this point. Consequently, we are in the position of having to rubber stamp Paul Martin's decision — so much for his promise to improve the democratic deficit. Honourable senators will remember his call to "reconnect Parliament to

Canadians and renew the capacity of parliamentarians from all parties to shape policy and legislation." Members of all parties — and I assume that he meant to include the Conservatives — were to have a hand in shaping policy and legislation. I humbly submit that no one other than the Prime Minister has a hand in this bill.

I would have thought that by now Paul Martin would have realized that this is a backward way of setting up a new department. Putting the cart before the horse can lead to a bit of a political mess. We saw this when the House of Commons decided to vote against the government's plan to split up the Department of Foreign Affairs and International Trade. We also saw the government's contempt for the political process when it ignored Parliament's decision and decided to proceed anyway.

It is not my purpose today to try to undo what has already been done. It is my purpose to try to make this new department work better by raising questions about what it does and how it does it.

• (1530)

I do think it is interesting, honourable senators, that HRSD arose from a department that was under close scrutiny back in 2000. Senators will recall that the former Auditor General, Denis Desautels, found massive mismanagement in HRDC. It seemed there was \$1 billion in unaccounted spending, most of which had been directed to Liberal-held ridings, some of which did not even qualify for any funds at all.

The current minister of Public Works, Scott Brison, was clearly disgusted with the goings on in the Liberal government when he said to the House of Commons back in December 10, 2002:

We are all familiar with the HRDC scandal and the fact that under the government billions of dollars were wasted, misdirected and lost for a time, and the Auditor General helped us identify this at the time. However, from a basic competence issue, this is a government that lost billions of dollars for a period of months. It is pretty hard for a Canadian to consider how a government loses billions of dollars. What happened in the next budget presented by the finance minister? The minister for HRDC received a \$1 billion increase as a reward for her gross incompetence.

Ironically, he has since found himself in a position of having to defend waste and as he called it "gross incompetence." Politics is full of these little ironies.

With this bill and its companion, Bill C-22, the old scandalridden HRDC appears to have conveniently disappeared and the \$1-billion boundoggle swept from Canadians' minds. The problem was taken care of.

The new department that has arisen to take the place of HRDC seems to have taken on a life of its own. This half of the old department alone is administered by no fewer than three ministers and three parliamentary secretaries, while still being closely linked to its partner, the Department of Social Development. What we are getting is a larger bureaucracy soaking up taxpayers' dollars. This is not my idea of a smaller, responsive government. This is a bureaucratic monster in the making.

I am not sure we need a Minister of Housing, along with a parliamentary secretary, when the area of housing is really a provincial responsibility, aside from the work done by the Canada Mortgage and Housing Corporation in support for communities to reduce homelessness.

The Minister of Housing is also the Minister of Labour who, according to clause 18 of the bill, "may be appointed." The bill is telling us that Labour is an optional ministry. I think that the government is already large enough without adding an optional minister.

I believe there is value in looking at the new department and critically examining what it does and how it does it. One of my key concerns is a program based in HRSD which is in need of serious overhaul. This program is employment insurance, as it is now called.

Honourable senators, I have spoken about this matter before, year after year, because it is one that requires urgent attention. It is a matter that many people have spoken about over the last several years because that is how long the problem has been dragging on. Unfortunately, very little has been done about it.

EI premiums, which are paid into the EI fund by both employers and employees, are a tax on jobs. They make it more expensive to employ people, and they make it more expensive to work.

When Paul Martin was Minister of Finance, he told the House of Commons Finance Committee on October 17, 1994, that:

We believe there is nothing more ludicrous than a tax on hiring, but that is exactly what payroll taxes are.

Not long after saying these words, he turned the employment insurance system into another source of revenue, using artificially high premiums to balance the government's books. There have been many changes in the administration and use of employment insurance — or unemployment insurance, as it was once called — since it was created in 1940. However, until Paul Martin came onto the scene, EI premiums had never been used as just another tax.

The problem with the misuse of EI premiums dates back several years. The Auditor General began questioning the size of the EI surplus back in 1999, yet nothing changed and the EI surplus only grew.

Last year, five years later, in a November 2004 report, the Auditor General pointed out that the surplus had increased by \$2 billion since the problem was first highlighted, to reach \$46 billion in 2003-04. No wonder Canadians are a little cynical about paying down the debt. This government is paying down the debt on the backs of Canadians with this tax on jobs.

In a harsh criticism of the government, the Auditor General stated in her report:

In our opinion, the government has not observed the intent of the Employment Insurance Act. In 2003, the government announced that it would conduct consultations on a new rate-setting process and would introduce legislation to implement a new process for 2005. In the 2004 Budget, the government noted that it was reviewing the results of the consultations and still planned to introduce legislation for 2005. However, the government is yet to address the concern about the accumulated surplus in the Employment Insurance Account.

Honourable senators, the government has introduced Bill C-43, which sets out new rules for setting EI premiums based on the expected cost of the program in the coming year. The EI Commission will set the premiums on the advice of the program's actuary, who will calculate a rate that will cover costs using forecasts provided by the Minister of Finance. These forecasts may not be independent, which could result in the actuary recommending rates that are higher than needed.

The government could also use "public interest" as an excuse to set a higher rate than needed, but the level of the EI surplus will play no role in setting the premium. This is unbelievable, given that the cumulative EI surplus will balloon to \$49 billion by March 2006. Do not forget that the original reason for the EI surplus was to allow for a cushion to prevent further premium increases and to take us out of a severe recession.

The bottom line is that these are not policies that will get rid of the tax on hiring. This government may be creating a new department, but it seems to me that it is new in name only. In reality, it is business as usual, with EI premiums being used inappropriately and an EI surplus that is continuing to balloon out of control.

We will need to examine some of the concerns that have been raised by the Auditor General about the use of EI premiums as a tax revenue source, concerns that we have been pointing to for over five years, concerns about which the government has done nothing. We need to do something about them. Then we will have a real change that will improve the situation for Canadians and Canadian businesses.

These are all issues that we will look at more closely in committee. I want us to do all that we can to ensure that this department will better meet the needs of Canadians in the most cost-effective means possible. I look forward to doing that.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Rompkey, bill referred to the Standing Senate Committee on Social Affairs, Science and Technology.

• (1540)

[Translation]

#### **AERONAUTICS ACT**

BILL TO AMEND—SECOND READING—POINT OF ORDER—SPEAKER'S RULING—ORDER WITHDRAWN

On the Order:

Resuming debate on the motion of the Honourable Senator Munson, seconded by the Honourable Senator Mercer, for second reading of Bill S-33, to amend the Aeronautics Act and to make consequential amendments to other Acts.—(Speaker's Ruling)

The Hon. the Speaker: Honourable senators, On Tuesday, May 31, before resuming debate on the motion for the second reading of Bill S-33 to amend the Aeronautics Act, Senator Tkachuk rose on a point of order because of doubts he had regarding the need for a royal recommendation. In making his case, the Senator referred to the appropriate Senate rules and to the constitutional provisions which clearly stipulate that any bill seeking the appropriation of public money must be sanctioned by a royal recommendation and must originate in the other place. The Senator asked me as the Speaker to consider whether certain clauses in the bill might not need this royal recommendation.

[English]

There followed a brief statement by Senator Austin, the Leader of the Government, who doubted there was a need for a Royal Recommendation, though he asked for time to consider the matter. Senator Stratton, the Deputy Leader of the Opposition, then spoke to indicate that another portion of the bill raised additional questions about a possible requirement for a Royal Recommendation. The senator asked whether Part II of the bill, establishing an airworthiness investigative authority, might not involve new expenditures not authorized previously through legislation.

Other interventions were made by Senator Rompkey, the Deputy Leader of the Government, and Senator Cools before I recognized Senator Tkachuk for a second time. I wish to thank all honourable senators for their contributions to this point of order. As Senator Tkachuk indicated in his remarks, this is a challenging issue. For some years now, Royal Recommendations have been attached to government bills without clearly identifying the clauses which authorize the expenditure from the Consolidated Revenue Fund, even though this identification is supposed to be obligatory according to the procedural authorities. As an example, I would cite Marleau and Montpetit, the manual of practice for the other place. It states at page 711 that:

A royal recommendation not only fixes the allowable charge, but also its objects, purposes, conditions and qualifications.

In fact, as was mentioned, this issue was reviewed by the National Finance Committee in 1990.

This point of order is particularly important because of the consequences that flow from it. If it is determined that a Royal Recommendation is required for any part or clause of Bill S-33, then it must be discharged from the Order Paper so that it can be properly introduced in the House of Commons as constitutional practice requires. In order to decide this question to the best of my ability, I have reviewed the bill and studied several past rulings, as well as consulted various relevant procedural authorities. I have tried to be diligent in this respect in particular because I declined the request to carry the discussion on the point of order to the next sitting day.

Clause 17 of Bill S-33 replaces section 5.81 of the Aeronautics Act and would allow, among other things, the Minister of Transport to pay certain costs in clearing lands adjacent to airports of natural growth for safety reasons. The minister is entitled to recover any costs incurred in carrying out this activity from the airport operator who is, in fact, supposed to be responsible for this. In commenting on this provision, Senator Tkachuk recognized that these recoverable payments could be quite small. Nonetheless, he believed that they still constituted a charge on the public purse and that, as a matter of principle, they required a Royal Recommendation.

[Translation]

As to the second objection which was raised by Senator Stratton, I note that the Airworthiness Investigative Authority is to be an individual designated by the minister. This person has to is be an employee of National Defence. According to the clause of the amended bill, the scope of this investigating authority is to include the power to investigate, to identify safety deficiencies, to make recommendations addressing identified deficiencies, and to publish reports on any investigations.

[English]

Based on the explanations presented, it is not certain whether either of these anticipated operations would be funded by a new appropriation which would require a Royal Recommendation or by existing allocations established through previous legislation. While it is the presence of a clause specifically authorizing a new appropriation that is supposed to be the trigger for a Royal Recommendation, I would point out that in recent years, the practice has been to use a non-specific Royal Recommendation that details nothing but rather covers many possibilities.

My guarded assessment about whether there is any clear authorization of a new expenditure in Bill S-33 calls to mind the conclusions of the National Finance report in February 1990. More than 15 years ago, the Senate agreed that the present use of the Royal Recommendation is unsatisfactory as a guide to understanding whether or not a new expenditure is being authorized through legislation. The report noted that the form of the current Royal Recommendation in use since 1976 does not define or specify the appropriation approved by the Governor General. This, in turn, leaves members of both Houses, including the Speakers, without a clear statement from the Crown as to what appropriation is being sought.

The committee's report also included some interesting testimony from the Chief Legislative Counsel of the Department of Justice. According to him, in advising the Government House Leader of the House of Commons about the introduction of government legislation, the department prefers to err on the side of caution. That is, confronted with any dubious case, Justice would normally advise the government to seek a Royal Recommendation to a bill and avoid introducing it in the Senate because it might be ruled out of order. Nothing has changed to clarify the use of the Royal Recommendation since the Senate adopted the National Finance Committee report.

Honourable senators, we are confronted by an unusual situation. My ruling, if it were to permit the Senate to proceed with debate on Bill S-33, would run the risk of being effectively overturned in the other place if a point of order similar to this one were raised there. The Speaker of the other place is duty-bound to jealously protect the rights and privileges of that House. Given the uncertainty that Bill S-33 may authorize new expenditures, though I remain unconvinced about this based on the arguments presented to me, it is possible that the Speaker could rule in favour of a point of order challenging the constitutional propriety of introducing legislation with financial implications in the Senate.

Faced with these circumstances, I have come to the following conclusion and make it my ruling that since there is a plausible case that the bill may involve a new appropriation, second reading debate on Bill S-33 should not proceed. Consequently, unless the Senate wishes to challenge my ruling, I am ordering that the second reading motion of Bill S-33, to amend the Aeronautics Act, as well as the bill itself, be discharged from the Order Paper effectively nullifying all proceedings in connection with the bill.

In concluding, let me repeat that the challenge of assessing the requirements for a possible Royal Recommendation is more difficult than it should be. While the Crown has every right to preserve its prerogatives with respect to financial initiatives that appropriate new expenditures, the exercise of this prerogative should not impede the rights of Parliamentarians, either in the Senate or in the other place, in carrying out their responsibilities to consider and possibly amend legislation. Perhaps the time has come to again review the problems that the National Finance Committee identified in 1990.

Order withdrawn.

#### HAZARDOUS MATERIALS INFORMATION REVIEW ACT

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. James S. Cowan moved second reading of Bill S-40, to amend the Hazardous Materials Information Review Act.

He said: Honourable senators, before reviewing the provisions of the bill, I would like to spent a few minutes describing the responsibilities of the Hazardous Materials Information Review Commission, an independent quasi-judicial agency of government. While it may have little public visibility, the commission plays an essential role in the protection of workers' health and safety.

The Hazardous Materials Information Review Act is the authority under which the Hazardous Materials Information Review Commission operates.

• (1550)

The commission is a part of the Workplace Hazardous Materials Information System, or WHMIS, which is a joint undertaking of labour, industry and the federal, provincial and territorial governments. Under the authority of the federal Hazardous Products Act, WHMIS is the mechanism by which the health and safety information needed to handle hazardous products safely is disclosed to workers using those products.

The information is provided on product labels or material safety data sheets and identifies the hazardous ingredients in a product, the specific risks to the health and safety of those using the product, the precautions which must be taken in handling the material and the appropriate first aid measures in the event of accidental exposure to the hazardous ingredient.

When WHMIS was established in 1987, industry was concerned that there were circumstances in which the full disclosure of information on hazardous materials would betray trade secrets to the benefit of market competitors. For example, a company might find a new application for a hazardous ingredient in a manufacturing process. If the full chemical identity of that ingredient was made available to workers, it would also be made available to the company's competitors, and the company making the discovery would lose the competitive advantage it had gained through that discovery. The commission was created with a mandate to grant disclosure exemptions for bona fide trade secrets while, at the same time, ensuring that the documentation on the safe use of hazardous products provided to workers is 100 per cent accurate.

Honourable senators, I would also draw your attention to the fact that the Hazardous Materials Information Review Act has been incorporated, by reference, into occupational health and safety legislation in all our provinces and territories. The mandate of the commission, therefore, is to balance the rights of employers and workers to full information on the use of hazardous products with the rights of industry to protect trade secrets, not only on behalf of the federal government but also on behalf of the provincial and territorial governments.

Operationally, this means that when a business wants to protect information it considers a trade secret, it makes application to the Commission for an exemption from disclosure and, with that application, includes the required health and safety documentation. This differs from the situation in which there is no trade secret involved. In that case, the health and safety documentation will be subject to inspection by the federal, provincial or territorial government agency responsible for occupational health and safety in the industry in which that business operates.

The commission reviews the economic documentation in support of the claim for exemption from disclosure and determines whether the information meets the regulatory criteria for a trade secret. The commission also determines whether the accompanying material safety data sheet or product label is in compliance with federal, provincial and territorial requirements with respect to providing the information needed to protect the health and safety of those working with the product. If

the commission determines that the information being provided to workers is not in compliance with health and safety regulations, be they federal, provincial or territorial, the claimant is ordered to make the necessary corrections and to provide the commission with a copy of the corrected safety documentation.

The decisions and orders of the commission are published in the *Canada Gazette* so that all affected parties have full information on the corrections the claimant has been required to make. If the corrections are not made within a specified time period, there are remedial measures at the commission's disposal, including steps leading to the prohibition of the sale of the product in question.

Honourable senators, the commission delivers a truly national program. Key to the governance of the commission is its tripartite Council of Governors. The governors represent organized labour, industry, the federal government and all provincial and territorial governments.

The council acts as an advisory body to the commission and provides strategic advice and guidance. It is through the council that the concerns of stakeholders are expressed, and it is through the council that appropriate means of resolving these concerns are identified.

In 1998, with the full support of the council, the commission undertook a review of its operations to make them more effective and to address stakeholder concerns. Through this consultative process, many improvements in the operation of the commission and many mechanisms to deal with stakeholder concerns were identified. These changes have been implemented, except for three that require amendments to legislation.

Honourable senators, it is these amendments that are the subject of this bill. The bill amends the act to allow claimants to declare that the information for which they are seeking an exemption from disclosure is confidential business information. Currently, claimants are required to submit detailed documentation on the steps they have taken to protect confidentiality and on the potential financial implications of disclosure.

This is an administrative burden on claimants and on the commission. Most claims for exemptions are valid. Only two of the 2,200 claims reviewed by the commission have been denied. While generally allowing claimants to declare that information is confidential business information, the commission will collect full documentation when an affected party challenges a claim or when a claim is selected through measures set up to discourage false or frivolous claims.

The bill further amends the act to permit the voluntary correction of material safety data sheets and product labels when those are found by the commission to be non-compliant. As the act now stands, the commission must issue formal correction orders even if the claimant is fully prepared to make all necessary corrections voluntarily. Claimants feel that these orders imply a reluctance on their part to fulfill their responsibilities for workplace safety.

These orders are published in the *Canada Gazette* but do not become binding until 75 days after publication. Allowing corrections to be made without issuing an order will expedite the process of getting accurate safety information into the hands of workers as soon as possible.

Finally, the bill amends the act to improve the appeals process. The amendments will allow the commission to provide factual clarifications to appeal boards when these are needed to facilitate the appeals process. Appeals of decisions and orders of the commission are heard by independent boards with three members drawn from labour, industry and government.

Most of the 16 appeals heard to date would have benefited from this ability to obtain additional explanatory information from the commission, but that is not permitted under the current legislation.

Honourable senators, these are the amendments to the Hazardous Material Information Review Act being proposed by the Minister of Health. They have been the subject of extensive consultation with those affected and have the unanimous support of all stakeholders, and those stakeholders are looking forward to seeing them enacted by Parliament.

On motion of Senator Stratton, for Senator Cochrane, debate adjourned.

#### THE ESTIMATES, 2005-06

### FOURTH INTERIM REPORT OF NATIONAL FINANCE COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the thirteenth report (fourth interim) of the Standing Senate Committee on National Finance (2005-2006 Main Estimates), presented in the Senate on June 9, 2005.

**Hon. Joseph A. Day:** Honourable senators, the Chair of the Standing Senate Committee on National Finance, Senator Oliver, is travelling and is therefore not able to begin the debate on this report.

#### • (1600)

I know that Senator Oliver is satisfied with the content of this report. It was discussed at committee, and he filed the report. He has also given me permission to proceed with the debate on it and to outline generally for honourable senators the content of our Fourth Interim Report on the Main Estimates for 2005-06.

Honourable senators will be aware that supply bills are dealt with by tradition in this place in a manner somewhat different from normal bills in that we do not usually send supply bills to committee when they arrive. The National Finance Committee studies the Main Estimates, which have been referred to that committee. We study them throughout the year. We have been studying the Main Estimates since they were referred to us in March of this year. These are the Main Estimates for fiscal 2005-06.

Our first report was filed in March and adopted by this chamber on March 22, and formed the basis for interim supply. The final supply for this fiscal year will be voted on in the other place later this evening. We are anticipating that that supply bill should arrive here tomorrow. We will then proceed to second reading two days hence, once first reading takes place. Then we will proceed directly to third reading.

The basis for the committee's background and study of the Main Estimates is reflected in this interim report. This report is called the Fourth Interim Report. Honourable senators will recall that there were two other interim reports filed and discussed in some detail recently, one of them dealing with foundations that our committee studied in detail. An interim report was filed on foundations, and another was on officers of Parliament. Both of those interim reports were dealt with here in the chamber and adopted. This is the Fourth Interim Report, which outlines the activity of your National Finance Committee during the past few months, other than that on those foundations and officers of Parliament that I mentioned previously.

There are two particular areas that I wish to draw to the attention of honourable senators. The first is the Office of the Comptroller General of Canada. This is a new office that has been created. We felt it was important to look into this development and determine how that department will make the finances of the government more accountable and transparent. We had a good meeting with officials from the Comptroller General's department and got a better understanding on how that particular department will work. We had the Comptroller General of Canada himself appear at a hearing. His name is Charles-Antoine St-Jean, and he appeared with us along with other members of his department.

The second newly created agency that we will continue to look into, because we are developing an understanding of how these departments and agencies will function, is the Public Service Human Resources Management Agency. That management agency is intended to take over certain functions previously carried out by Treasury Board Secretariat and by the Public Service Commission to focus on management issues, such as learning and leadership development, official languages, employment equity, human resources planning, classification of employment, values, ethics and human resource systems.

The Treasury Board Secretariat will continue, and will concentrate on the collective bargaining and labour relations matters such as pensions and benefits. The Public Service Commission will also continue, but it will be focused on staffing issues.

As your committee, we would like to continue looking into those issues that your mandate already allots to us. We will continue to study those issues and any other issues that arise throughout the year as we study the Main Estimates for the rest of this fiscal year.

Honourable senators, I believe this report is a fair and accurate reflection of the work that we have done thus far. There is also mention of five bills that have been referred to our committee and dealt with during this fiscal year.

I would urge honourable senators to adopt this report that will form the basis for my urging you to support supply when it arrives

On motion of Senator Stratton, for Senator Oliver, debate adjourned.

#### BANKRUPTCY AND INSOLVENCY ACT

BILL TO AMEND—SECOND READING—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Biron, seconded by the Honourable Senator Robichaud, P.C., for the Second reading of Bill S-30, to amend the Bankruptcy and Insolvency Act (RRSP and RESP).—(Honourable Senator Stratton)

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, we have had some discussions on this particular item. It is fair to say that those discussions are continuing. I would propose that I be allowed to take the adjournment, pending the conclusion of those discussions, until we see the disposition of the item.

The Hon. the Speaker: I take it that the matter will then stand.

Order stands.

#### RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

#### FOURTH REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the fourth report of the Standing Committee on Rules, Procedures and the Rights of Parliament (amendment to Rule 96(7)—Clause-by-clause consideration of a bill), presented in the Senate on June 9, 2005.—(Honourable Senator Smith, P.C.)

Hon. David P. Smith moved the adoption of the report.

He said: Honourable senators, I could speak to this report but I do not think there is any controversy relating to this item. This was a matter raised by Senator Banks on clause-by-clause consideration of a bill.

• (1610)

I believe honourable senators are familiar with the subject matter. Your committee recommends that the *Rules of the Senate* be amended by adding, after subsection (7) of rule 96, the following:

7.1 Except with leave of its members present, a committee cannot dispense with clause-by-clause consideration of a bill.

Honourable senators are familiar with the background. This rule was adopted without any controversy. It is not really necessary to go into the details unless there are questions.

The Hon. the Speaker: No senator having risen, I take it that honourable senators are ready for the question?

Some Hon. Senators: Question!

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to and report adopted.

#### STUDY ON GOVERNMENT POLICY FOR MANAGING FISHERIES AND OCEANS

#### INTERIM REPORT OF FISHERIES AND OCEANS COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the third report (interim) of the Standing Senate Committee on Fisheries and Oceans, entitled Interim Report on Canada's New and Evolving Policy Framework for Managing Fisheries and Oceans, tabled in the Senate on May 19, 2005.—(Honourable Senator Comeau)

Hon. Gerald J. Comeau moved the adoption of the report.

He said: Last October, the Standing Senate Committee on Fisheries and Oceans was given an order of reference to examine and report on issues relating to the federal government's new and evolving policy framework for managing Canada's fisheries and oceans. On May 19, your committee tabled an interim report on that subject.

In March 2004, the Department of Fisheries and Oceans issued a new *Policy Framework for the Management of Fisheries on Canada's Atlantic Coast.* Regarding the Pacific fishery, a federal-provincial joint task group released a report in May 2004, entitled *Treaties and Transition*, a document that proposes to profoundly transform the way in which fisheries are managed in British Columbia. The task force, which we sometimes refer to as the Pearse-McRae report, proposes to place all Pacific fisheries, including those for salmon, under a property rights-based management.

In response to the task force, in April 2005, the Minister of the Department of Fisheries and Oceans, or DFO, announced changes to the management of the Pacific fishery, with more permanent changes expected in or around 2006. In recent months, the department has been proposing to change how our fisheries are managed across the board on all three coasts. Plans to "modernize" — which is the word used by DFO — Canada's fisheries may permanently and irrevocably alter the marine coastal fisheries. Amendments to the Fisheries Act may soon be introduced in Parliament in order to accelerate this so-called modernization.

Minister Regan does not have an easy portfolio. The Fisheries Act bestows on the minister broad discretionary powers to distribute wealth in the form of fishing licences and fish quotas. In fact, the minister has absolute discretion in providing access to wealth from the fisheries in the form of licences and leases. The mandate, programs and services of DFO therefore directly affect the lives and livelihoods of tens of thousands of people.

While many topics can be included under the caption of the federal government's "evolving policy framework for managing fisheries and oceans" — the committee's order of reference — individual quota licensing was the subject of much discussion in our meetings and in submissions, especially proposals for Pacific salmon. Our particular focus is the impact of the DFO's plans on the residents of coastal communities.

In fisheries, stability is maintained through the imposition of regulatory measures. A variety of strategies are employed to help maintain a balance between fishing capacity and available resources in order to prevent overfishing. These may include restrictions on fishing gear, fishing vessels, the size of vessels, the fishing seasons and in areas of fisheries permission. Setting a total allowable catch, or TAC, is another common measure. For the Pacific salmon, escapement levels are set to allow the fish to return to their spawning grounds.

Individual quotas, or IQs, and individual transferable quotas, or ITQs, have also been put in place in various sectors in Canada. When assigned to vessels in British Columbia, they are called individual vessel quotas, or IVQs. On the East Coast they are sometimes called enterprise allocations, or EAs, as well as ITQs. If I have everyone sufficiently confused now, I will refer to ITQs from now on.

In the last decade, a key part of DFO's strategic plan has been to decrease its involvement in fisheries management in favour of greater industry involvement in the form of co-management. Individual or private quota arrangements fall within the department's co-management strategy and figure prominently in DFO's 2004 Atlantic Fisheries Policy Framework and the British Columbia Joint Task Force Report.

Individual quotas and licences provide individual fishermen or fishing companies with a right to harvest a certain amount of fish annually. It is a bit like going into a swimming inventory. Fishermen or quota holders are given a percentage of the total allowable catch, which is usually set once per year. Advocates of IQs, especially ITQs, view them as a means of rationalizing the industry and allowing them to operate in a more stable, orderly and efficient manner. Some of the often-cited economic advantages of such a regime include security of access to the resource; the elimination of the costly, derby-style race to the fish, which was traditionally called the tragedy of the Commons; a longer work season and more effective coordination of supply with the market demand; the potential for more effective long-term planning in terms of capital investment and market development programs; and the reduced need for government regulation.

Expanding co-management in self-regulating individual quota fisheries undoubtedly appeals to DFO. Management responsibilities and costs associated with research and monitoring can be further shifted or downloaded to the industry, especially in periods of government cutbacks to the Department of Fisheries' budget.

In Canada, the privatization of fishing rights began in earnest in the early 1980s with the restructuring of the Atlantic groundfish industry. Since then, privatization has been gradual over successive governments and under successive fisheries ministers. For this reason, the subject matter should not be viewed at all as a partisan issue. Ministers come, ministers go, but the bureaucrats live on.

Some senators may recall this important matter of public policy being last examined by the Fisheries Committee almost seven years ago. In their 1998 study, the committee members stated that in all the presentations made since its creation in 1985, perhaps no other matter had been raised more frequently by witnesses and with as much emotional intensity.

In passing, I will mention that Professor C.E.S. Franks of Queen's University recently said that the Fisheries Committee report was:

...one of the truly useful series of policy documents that I had looked at.

However, I digress.

Also noteworthy is that the individual quota model, also known as the Property Rights-based Management Model, is one that has been embraced by classical economists, by neo-conservative theorists and think tanks, and by certain central Canadian landlocked newspaper columnists and editorial writers. It is a well-articulated economic model, one that has been promoted by the corporate sector in the fishing industry, and one that has long-committed supporters within the federal fisheries bureaucracy. However, many things can go wrong in quota fisheries, and these problems are discussed in our report.

• (1620)

In the past, when there have been stock declines in Canada's commercial fisheries, restructuring and adjustment programs were brought in. These included licence buybacks and early retirement programs, short-term income support, retraining, and economic diversification to assist affected fisheries workers and communities with their transition out of the industry. The department has indicated that in the future it does not plan to offer any new licence retirement programs or buyouts. The last opportunity fishermen had to leave the industry with government assistance was the Canadian Fisheries Adjustment and Restructuring Program of 1998.

ITQs are a powerful device for reducing fishing effort and the number of fishermen in a given fleet. Those who believe their quota share is too small to make a profit may buy or lease quota from others, or sell and leave the industry rather than continuing to fish. Fishermen who find it uneconomic and leave, and those who retire, receive a financial return, which is, I guess, a good thing. The outcome of this rationalization, however, is the consolidation of fleets, with fewer fishermen and fishing boats.

In practice, the total amount of financial capital invested in a fishing fleet increases because of the rising price of quotas. The passing out of ITQs provides a mechanism whereby those who are able to afford it, such as corporations and wealthy investors, can buy ever-larger shares of a fishery. Government may place restrictions on the maximum amount of quota holdings to prevent undue accumulation, but whether these restrictions are enforced can be an entirely different matter. Our committee will review this

again, but concentration restrictions in the past have not been enforced by the Department of Fisheries and Oceans.

ITQs transform fishing licences into tradeable ownership of specific quantities of fish. Initial allocations of fish are "gifted" freely, which amounts to a giveaway or windfall. Predictably, quota recipients are usually staunch supporters of their fishing rights, once in place. There are, however, serious shortcomings.

Parzival Copes, who appeared before the committee in February, said:

What is wrong with the ITQ? It is an invention of theoretical economics that substitutes a simplistic theoretical model for the real world. The model is narrowly focused on achieving short-term market-measured accounting profitability. It ignores many of the actual costs and benefits of the real world of fisheries....

Governments, including those that have introduced ITQs, typically proclaim marine fish resources to be common property resources to be used for the benefit of all the country's people.

The spectacular maldistribution of benefits from ITQ systems demonstrates the utter incompatibility of ITQs with a socially responsible use of a national common property resource.

For subsequent generations of aspiring small-scale fishermen, the consequences are considerable. Whereas in the past they could have expected to save enough to buy a boat and become an owner-operator, the high price of quotas becomes a financial barrier to entering the fishery.

Because fishery resources are common public assets belonging to all Canadians, important policy issues arise. For instance, should the considerable wealth often created by quota licences be somehow limited? Should it be shared in some way with other fishermen? Should it be returned to the federal government as "resource rent" in exchange for the granting of exclusive harvesting privileges? Should "armchair fishermen," or "slipper skippers," be allowed to lease their quotas to others?

A great concern to coastal communities is that quota holders may sell to others who can then move their base of operations to other locations. We have seen this happen quite often. Recently, Clearwater, in Lunenburg, Nova Scotia, decided to move its scallop operation to Shelburne. That was a corporate decision in which the local community had no say whatsoever.

Companies may rationalize their operations in larger centres and move their quotas and operators out of coastal communities. Such geographic redistributions not only displace fisheries workers but also create havoc in communities whose economy had historically relied on commercial fishing and fishery-related spin-offs.

Past shifts of quotas and landings, and the jobs that go along with them, have had disastrous effects on fishery-dependent communities. Canso, in Nova Scotia, is perhaps the best known example, but there are many more. The town of Harbour Breton in Newfoundland and Labrador is currently in the news. As a matter of fact, today the Premier of Newfoundland had to stay at the legislature rather than attend an Atlantic premiers' conference on Atlantic issues because of the impact the movement of Fisheries Products International's quotas away from Harbour Breton is having on that community. The town of Harbour Breton is indeed suffering the effects of this system.

Often, the result is that the taxpayer has to foot the bill to pay for the social consequences of such movement of quota, in the form of employment insurance, social assistance, costly economic diversification initiatives, et cetera.

Quota windfalls may also cause divisions within communities between the "haves" and the "have-nots," that is, those who have the quotas and those who do not.

Honourable senators, a 2004 study of the United States' General Accounting Office, the GAO, stated that IQ programs raise "concerns about the fairness of initial quota allocations, the increased costs for fishermen to gain entry, and the loss of employment and revenues in communities that have historically depended on fishing." The GAO outlined measures that could protect community interests and facilitate new entrants in individual quota-managed fisheries, concluding that the "easiest and most direct way to help protect communities under an [individual fishing quota] program is to allow the communities themselves to hold quota."

Interestingly, the GAO study was conducted to assist U.S. legislators in their deliberations on IQ programs, to examine the methods available for protecting the economic viability of fishing communities and to consider ways of facilitating new entry into IQ fisheries, which is exactly what is happening in Canada.

The Hon. the Speaker pro tempore: Honourable senator, your time has expired.

**Senator Comeau:** I have about another three or four minutes. Would honourable senators consent to extending my time?

**The Hon. the Speaker** *pro tempore*: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Senator Comeau: Thank you, honourable senators.

I am unaware of any similar study or analysis of Canada's commercial fisheries, or whether DFO has ever studied the social impacts of individual quotas on coastal communities.

Those in Canada who do not like the Americans refer to them as right wing and market-oriented. The United States of America is trying to protect its coastal communities, yet no similar study is done when the same problems are faced in Canada. That is interesting.

An American Senate committee report noted that in the United Kingdom, where the introduction of ITQs is being contemplated for the first time, a 2004 report to the Prime Minister's strategy unit recognized that special steps were needed in some of that

country's most remote and vulnerable fishery-dependent communities. Community quotas, or CQs, are being considered in the United Kingdom in order to protect vulnerable and dependent fishing communities. In Canada, it appears that such alternative management systems are not even being considered. Even New Zealand, the arch-right, business-oriented, let-the-marketplace-control-everything country, recognized the need to consider community quotas when it privatized the fishery resources.

Canada's fisheries are socio-economically diverse. Species of fish vary widely in terms of their behaviour, abundance, distribution and market value. ITQs might be appropriate for some species and sectors but not for others. The DFO needs to consider them on a case-by-case basis. The nature of the fishery changes from one area of the country to the next. A one-size-fits-all management approach is not the best approach.

I should also like to mention that committee members have expressed an interest in looking at various other alternative models of fisheries management that directly involve coastal communities and how the communities might be involved in how their coastal resources can benefit them in the future.

• (1630)

The fishery is one of Canada's great public resources and the stakes in this debate are enormous. They include not only the long-term sustainability of Canada's fish resources and the viability of the fishing industry, but also the well-being of hundreds of coastal communities on the East Coast, the West Coast and in the North, where fishing is often the only available source of employment because few economic alternatives exist.

In closing, I wish to point out that the interim report of May 2004 is only a thumbnail account of the work in progress. Many witnesses have yet to appear to share their views with members of the committee. Many issues need to be looked at before the committee presents its final report.

Honourable senators, given that the committee has tabled an interim report, I move:

That the third report of the Standing Senate Committee on Fisheries and Oceans tabled in the Senate on May 19, 2005, be adopted; and

That pursuant to rule 131(2), the Senate request a complete and detailed response from the government, with the Minister of Fisheries and Oceans being identified as the minister responsible for responding to the report.

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I move adjournment of the debate in the name of Senator Hubley.

**Senator Comeau:** Honourable senators, there is a motion on the floor.

Senator Rompkey: This side does not necessarily disagree with the report, which has good content, or with the motion. However, we would prefer to discuss the report before the question is put on the motion to adopt the report.

On motion of Senator Rompkey, for Senator Hubley, debate adjourned.

# BUSINESS OF THE SENATE

The Hon. the Speaker pro tempore: Honourable senators, did we skip Item No. 105? Senator Kenny would like to speak. Is leave granted, honourable senators?

Hon. Senators: Agreed.

Hon. Colin Kenny: With apologies, honourable senators, I had the impression that Senator Stratton would speak to this motion in as much as it was adjourned in his name. I request leave to revert to Item No. 105.

The Hon. the Speaker pro tempore: Honourable senators, is leave granted to revert now or at the end of the Order Paper?

Hon. Terry Stratton (Deputy Leader of the Opposition): This side prefers to revert to the item at the end of the Order Paper, please.

The Hon. the Speaker pro tempore: Leave to revert is not granted.

Hon. Joyce Fairbairn: Honourable senators, I request leave to revert to Item No. 23, the inquiry of the Honourable Senator Léger standing in the name of Senator Kinsella.

Senator Stratton: If I may, the house seems to be digressing from the Order Paper. The Order Paper should be finished before reverting to those items.

Senator Fairbairn: Certainly.

Senator Kenny: Honourable senators, my earpiece does not seem to be working and, therefore, I am unable to hear all that is being said. That is why I requested leave to revert. I had been sitting patiently watching the Order Paper as the items were being called. I did not hear any response, but when my earpiece did work, I heard that we were two items past Item No. 105.

The Hon, the Speaker pro tempore: The item was stood by Senator Kinsella or Senator Stratton.

Senator Kenny: That is fair ball, Your Honour, but if senators cannot hear what is happening in the chamber, it is hard for them to participate. I do not know if other senators are having this kind of problem, but I certainly did not hear Item No. 105 called, and I sit beside the honourable senator.

The Hon. the Speaker pro tempore: Is leave granted to revert, honourable senators?

Senator Stratton: No. This side denied leave before and is denying it again.

The Hon. the Speaker pro tempore: Honourable senators, the item we are dealing with is Senator Fairbairn's request to revert to Item No. 23. Is leave granted?

Senator Stratton: No.

Senator Rompkey: Your Honour, the consensus of the chamber is that the Order Paper be finished before leave is granted to revert.

Senator Stratton: That is all we are asking.

Senator Kenny: I cannot hear the honourable senators opposite when they stay seated and speak. When the microphone system is on, we are not hearing a word. I understand that Senator Stratton said something, but I did not hear it. That is another example, Your Honour. Somebody said something, but I have no clue of what it was.

(1640)

The Hon. the Speaker pro tempore: Honourable senators, we ask that unless you are saying "stand," if you wish to intervene, you do stand in your place.

# SITUATION IN SUDAN AND ROLE OF CANADA'S SPECIAL ENVOY

INQUIRY—DEBATE ADJOURNED

Hon. Bill Rompkey (Deputy Leader of the Government), for Senator Jaffer, rose pursuant to notice of April 21, 2005:

That she will call the attention of the Senate to the situation in Sudan, and the role of Canada's Special Envoy for Peace in Sudan.

He said: Honourable senators, I should like to launch Senator Jaffer's inquiry. She is unavoidably absent at the moment.

On motion of Senator Rompkey, for Senator Jaffer, debate adjourned.

# LIFE OF MARGARET ANN MICK

INQUIRY—DEBATE ADJOURNED

Hon. Lorna Milne rose pursuant to notice of June 9, 2005:

That she will call the attention of the Senate to the life of Margaret Ann Mick, the first female Peace Officer killed in the line of duty in Canada.

She said: Honourable senators, it is my privilege to rise this afternoon to share with you the story of the life of a little-known, early Canadian heroine, Margaret Ann Mick. I sincerely hope that Ms. Mick will be recognized this fall by the Canadian Peace Officers Memorial Association for being the first Canadian

female peace officer to be killed in the line of duty. The story of her heroism, and indeed her life, is one that is undoubtedly unknown by all of us, and I would like to take the time to tell it to you now.

Born in 1861, Margaret Smith grew up in Watertown, Ontario, west of Toronto, and married James Mick in the early 1880s. The couple had four children, three of whom survived infancy. They laid down roots in Orillia, Ontario, where Ms. Mick and her children stayed until 1905. In the late 1890s, though, tragedy struck the family when James Mick died, leaving his widow to take care of their three surviving children.

Margaret was a survivor. She never did remarry. Instead, she moved her young family to Toronto, where she was able to secure a position as matron in the Andrew Mercer Reformatory for Women. Her position there was similar to that of a corrections officer today. She was a guard responsible for securing the prison and keeping both the staff and the prisoners safe. In 1916, Margaret applied to be transferred to the new Toronto Municipal Jail Farm for Women in Concord. This state-of-the-art facility at the time was for low-risk offenders, and it put the prisoners to work growing fruit and vegetables and raising livestock.

Margaret was able to put a very good life together for herself while raising three children all alone at the turn of the century. It was certainly a life that she had every right to be proud of, but it would all come to an end on the night of Sunday, May 25, 1925. Margaret was the only matron on duty that night. She arrived at her shift as usual at 8 p.m. She was unaware that three of the inmates were plotting their escape for that night. This reads like a murder mystery.

While Margaret was taking a supply of clean baby bottles to the maternity wing, one of the smallest inmates, 16-year-old Jennie McMinn, was able to squeeze her tiny body through the bars of her cell. Then, using a spoon that she had smuggled from the cafeteria, she pried open the lock on the second inmate's cell. The two of them lay in wait for Margaret to return.

When Margaret returned to her post, the third conspirator started to complain quite loudly and obnoxiously about a leak in her cell. Margaret walked down the cell block, turned to face the third inmate's cell and started to unlock the door so she could investigate. When she turned her back, the two inmates who had already broken free attacked her from behind. The three of them proceeded to beat her, throttle her and tie her spread-eagle to the water pipes in the cell, and there they left her unconscious. They then made their escape into the night where they hitched a ride down south into Toronto.

Margaret was found dead there, spread-eagled in the cell, the next morning when the next shift came on. The three culprits were eventually caught and spent the next five years in the Don Jail. Five others were charged and convicted with aiding and abetting the crime, and they were also sentenced to time in the Don Jail.

Margaret Ann Mick was an uncommon woman who showed uncommon bravery, both personally and professionally. In a time long before the support provided by the modern social services system, she managed to keep her family together after the death of her husband. In those days, many women were forced to give their

children up for adoption in such circumstances, but her determination would not allow that. She built her career and kept her family close to her, decades before that became the norm.

It has been proposed that Margaret Ann Mick's name be added to the memorial commemorating all those who died serving Canada as police and peace officers this fall. I urge all honourable senators to take the time to visit the memorial that is out behind the Parliament buildings here, and to thank Margaret for her service to Canada and for being a role model to all of us.

On motion of Senator Rompkey, debate adjourned.

#### **OFFICIAL LANGUAGES**

COMMITTEE AUTHORIZED TO EXTEND DATE OF FINAL REPORT ON STUDY OF OPERATION OF OFFICIAL LANGUAGES ACT AND RELEVANT REGULATIONS, DIRECTIVES AND REPORTS

Hon. Eymard G. Corbin, pursuant to notice of June 9, 2005, moved:

That, notwithstanding the Order of the Senate adopted on November 3, 2004, the date for the presentation of the final report by the Standing Senate Committee on Official Languages on the application of the *Official Languages Act* be extended from June 15, 2005, to June 15, 2006.

Motion agreed to.

#### **BUSINESS OF THE SENATE**

The Hon. the Speaker pro tempore: Before going to adjournment, I understand, Senator Stratton, that you do not wish to return to Motion No. 105 which is Senator Kenny's motion, or have you decided to go back to it?

Hon Terry Stratton (Deputy Leader of the Opposition): I think there is still some confusion. What I said was that if there was a request for reversion to items previously on the Order Paper, that we do that at the end of the scroll, so that we could deal with it in a rational way rather than being all over the place. That was the reason for my not granting leave at that time.

Hon. Colin Kenny: I request leave to revert to Motion No. 105.

The Hon. the Speaker *pro tempore*: Does Senator Kenny have agreement to revert to Motion No. 105?

Some Hon. Senators: Agreed.

Some Hon. Senators: No.

The Hon. the Speaker pro tempore: Leave is not granted. Senator Fairbairn has asked for permission to revert —

Hon. Joyce Fairbairn: I withdraw that request.

The Senate adjourned until Wednesday, June 15, 2005, at 1:30 p.m.

# CONTENTS

# Tuesday, June 14, 2005

PAGE	PAGE
SENATORS' STATEMENTS	Canada Border Services Agency Bill (Bill C-26) First Reading
Tributes The Honourable Viola Léger, O.C. Hon. Rose-Marie Losier-Cool 1445 Hon. Noël A. Kinsella 1445	QUESTION PERIOD
Hon. Eymard G. Corbin       1446         Hon. Pierrette Ringuette       1446         Hon. Mobina S. B. Jaffer       1447         Hon. Madeleine Plamondon       1447         Hon. Maria Chaput       1447         Hon. Lucie Pépin       1448         Hon. Sharon Carstairs       1448	Canada-United States Relations North Dakota—Devils Lake Diversion. Hon. Janis G. Johnson
Hon. Nick G. Sibbeston       1448         Hon. Lise Bacon       1449         Hon. Tommy Banks       1449         Hon. Viola Léger       1449         Hon. Jean Lapointe       1449	Hon. Jack Austin
	Hon, Jack Austin
ROUTINE PROCEEDINGS	Canada-United States Relations Department of State—2005 Report on Trafficking in Persons. Hon. Consiglio Di Nino
Auditor General 2004-05 Annual Report on Privacy Act Tabled	Royal Canadian Mounted Police Response to Financial Transactions Reports Analysis Centre—
National Defence and Canadian Forces Ombudsman 2004-05 Annual Report Tabled. Hon. Bill Rompkey	Response to Reports on Money Laundering.  Hon. David Tkachuk
Study on Issues Related to Mandate Second Interim Report of Energy, the Environment and Natural Resources Committee Tabled. Hon. Tommy Banks	Public Safety and Emergency Preparedness Firearms Centre—Efficacy of Registry in Reducing Violent Crime. Hon. David Tkachuk
Study on Operation of Official Languages Act and Relevant Regulations, Directives and Reports Interim Report of Official Languages Committee Tabled. Hon. Eymard G. Corbin	National Defence Gagetown—Testing of Agent Orange and Agent Purple. Hon. Michael A. Meighen
Study on National Security Policy Town Hall Meetings—November 2004-June 2005— Report of National Security and Defence Committee Tabled.	Timing in Relation to Stated Position on Vietnam War. Hon. David Tkachuk
Hon. Colin Kenny	Delayed Answers to Oral Questions Hon. Bill Rompkey
Budget—Report of Committee on Study of Veterans' Services and Benefits, Commemorative Activities and Charter Presented.  Hon. Michael A. Meighen	Prime Minister Use of Private Health Care Facilities. Question by Senator Stratton. Hon, Bill Rompkey (Delayed Answer)
Study on National Security Policy Meetings Held in United States—April 14-21, 2005— Report of National Security and Defence Committee Tabled.	Finance Bank Mergers—Release of Guidelines.
Hon. Colin Kenny	Question by Senator Angus.  Hon. Bill Rompkey (Delayed Answer)
Hon. Colin Kenny	Justice Access to Information Act—Legislation to Amend— Legislation to Include Crown Corporations.
Hon. Colin Kenny	Question by Senator LeBreton. Hon. Bill Rompkey (Delayed Answer)
Hon. Colin Kenny	Finance Legislative and Regulatory Framework for Federally Regulated Pension Plans—Fund to Guarantee Pensions. Question by Senator Oliver.
Bill to Amend—First Reading	Hon. Bill Rompkey (Delayed Answer)

PAGE	PAGE
Canadian Food Inspection Agency Campbell River Aquaculture Farm—Presence in Chinook Salmon of Banned Chemical Malachite Green. Question by Senator St. Germain. Hon. Bill Rompkey (Delayed Answer)	The Estimates, 2005-06 Fourth Interim Report of National Finance Committee— Debate Adjourned. Hon. Joseph A. Day. 1463
Total Sal Nonepacy (Solution Francisco)	Bankruptcy and Insolvency Act (Bill S-30) Bill to Amend—Second Reading—Order Stands. Hon. Bill Rompkey
ORDERS OF THE DAY	Rules, Procedures and the Rights of Parliament Fourth Report of Committee Adopted.
Business of the Senate	Hon. David P. Smith
Hon. Bill Rompkey	Study on Government Policy for Managing Fisheries and Oceans
Department of Social Development Bill (Bill C-22)	Interim Report of Fisheries and Oceans Committee— Debate Adjourned.
Second Reading—Debate Adjourned.	Hon. Gerald J. Comeau
Hon. Sharon Carstairs	Hon. Bill Rompkey
Canada Shipping Act	Business of the Senate
Canada Shipping Act, 2001	Hon. Colin Kenny
Canada National Marine Conservation Areas Act Oceans Act (Bill C-3)	Hon. Terry Stratton
Bill to Amend—Third Reading—Debate Adjourned.	Hon. Joyce Fairbairn
Hon. Bill Rompkey	Situation in Sudan and Role of Canada's Special Envoy
Hon. Terry Stratton	Inquiry—Debate Adjourned.
Department of Human Resources and Skills Development Bill	Hon. Bill Rompkey
(Bill C-23)	Life of Margaret Ann Mick
Second Reading.	Inquiry—Debate Adjourned.
Hon. Terry Stratton	Hon. Lorna Milne
Referred to Committee	Official Languages
Aeronautics Act (Bill S-33)	Committee Authorized to Extend Date of Final Report
Bill to Amend—Second Reading—Point of Order—	on Study of Operation of Official Languages Act and Relevant
Speaker's Ruling—Order Withdrawn.	Regulations, Directives and Reports.  Hon. Eymard G. Corbin
The Hon. the Speaker	25 mara 6. 6010m
Hazardous Materials Information Review Act (Bill S-40)	Business of the Senate
Bill to Amend—Second Reading—Debate Adjourned.	Hon Terry Stratton
Hon. James S. Cowan	Hon. Colin Kenny 1469 Hon. Joyce Fairbairn 1469







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CANADA

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OFFICIAL REPORT (HANSARD)

Wednesday, June 15, 2005

THE HONOURABLE DANIEL HAYS SPEAKER



# **CONTENTS**

(Daily index of proceedings appears at back of this issue).

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#### THE SENATE

Wednesday, June 15, 2005

The Senate met at 1:30 p.m., the Speaker in the chair.

Prayers.

# VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, before we go to Senators' Statements, I wish to draw to your attention the presence in our gallery of the Queen of the Montreal St. Patrick's Day Parade organized by the United Irish Societies which has been in uninterrupted existence since 1824. The ladies in charge are Margaret Healy, Sheila Shower and Elizabeth Quinn. Congratulations on their involvement. They are the guests of the Honourable Senator Lavigne.

On behalf of all honourable senators, I welcome you to the Senate of Canada.

SENATORS' STATEMENTS

#### WORLD BLOOD DONOR DAY

Hon. Terry M. Mercer: Honourable senators, yesterday, June 14, was World Blood Donor Day. I was honoured to host an event in the Senate foyer where we welcomed 150 guests to our hallowed halls to celebrate the gift of life and the many volunteers who donate that precious gift, blood and blood products. It was moving to hear from two very special people, Samar Chaker and Captain Raymonde Gaumont.

Samar, a blood recipient from Windsor, Ontario, is one of only 50 people to be profiled as part of the World Blood Donor Day Celebration Gallery at Trafalgar Square in London, England. Captain Gaumont has 738 blood donations to her credit and ranks highest among female donors in Canada.

It was very moving to hear from a recipient and a donor. More important, it was a very emotional moment to see how each of them has changed each other's life. In fact, both are role models for all Canadians to encourage more of us to donate blood.

The two blood operators in Canada, Canadian Blood Services and Héma-Québec, collect their annual 1.1 million units of blood from less than 4 per cent of the eligible population. Just 4 per cent of those who can donate blood actually give it on a regular basis. This percentage must increase.

With the help of yesterday's event, and Bill S-29 to declare a national blood donor week in Canada, Canadians will realize that they can no longer wait for their neighbour to donate blood.

Blood donors can make a difference in someone else's life without even knowing it — a difference that can last forever. Yesterday's event was evidence that we should celebrate the gift of life more often.

I would like to thank and congratulate all the volunteers and employees of Canadian Blood Services and Héma-Québec, especially their CEOs, Dr. Graham Sher and Dr. Francine Décary, for their dedication and hard work.

I would also like to take this opportunity to thank all the Senate staff and administration, as well as the Usher of the Black Rod, for their wonderful job in helping my office to organize this event. I look forward to next year's week-long celebration.

• (1340)

[English]

# THE HONOURABLE VIOLA LÉGER, O.C.

#### TRIBUTE ON RETIREMENT

Hon. Joyce Fairbairn: Honourable senators, I want to add my voice today to those who paid tribute to one of the most remarkable and beloved members of this house who will be leaving us shortly: Senator Viola Léger, from New Brunswick. She came to this place as a breath of fresh air. I am not certain she felt that way when she walked into this chamber because this was a different stage from her award-winning performances on television, screen and in the theatre. She has been an icon of Acadian arts and culture, on whose behalf she spoke and acted. She came here wondering if she had come to the right place. She was a little perplexed by the way that the acting was played out, and at one time she needed encouragement that this place would grow on her and she on this chamber, as happened.

Senator Léger is passionate about the role of arts and culture in the life of this country. I want to quote from a statement she made in the Senate not so long ago:

We cannot live without beauty, without laughter and tears. The arts define us, and above all, help us understand who we are as Canadians and what our society is all about.

Honourable senators, after four years, she leaves with our greatest admiration and respect. As a going away gift from her, she has placed on the Order Paper an inquiry in respect of greater consideration of the cultural dimension in the review of programs and policies. She said that as she leaves the chamber, she hopes to see the creation of a Senate committee on cultural affairs. That proposal will remain before us because it will be ours to choose. I hope that in her memory and with thanks for all she has done while in this chamber and on committee, and will continue to do when she returns to her beloved stage, her dream for the Senate will be realized with the addition of such a committee.

#### THE LATE SCOTT YOUNG

Hon. Francis William Mahovlich: Honourable senators, the great Canadian journalist Scott Young has passed away. I first met Scott in 1957, the year I began playing for the Toronto Maple Leafs. He was from Winnipeg and joined *The Globe and Mail* as a sports columnist that same year. He covered Grey Cups, World Series and Stanley Cups. Often, he would travel with us to cover road games. Occasionally, he would be on *Hockey Night in Canada*. I recall the time they shot a scene at my home just before a road trip, when my younger brother helped me carry my luggage to the car.

One of our last times together was in France, 10 years ago, where we had dinner and a visit in Paris with the then Canadian Ambassador Benoît Bouchard. We exchanged great memories of Toronto in the 1960s.

Scott also worked for *Maclean's* and the *Toronto Telegram*. He wrote 45 books, most of them about hockey, that would encourage Canadian youth.

Scott was the only writer to attend my stag in 1962, the year he ridiculed Leaf's Chairman John W. Bassett for supporting the idea of selling Frank Mahovlich to the Chicago Blackhawks for \$1 million. Bassett, in addition to running a newspaper and controlling CFTO, was one of the stakeholders in Maple Leaf Gardens Limited. He applied enough pressure to Hockey Night in Canada and Young was fired.

Scott Young seldom spoke of his son, Neil, except to tell me that he made \$10,000 for one night's appearance. We had a laugh because that was my full year's salary in 1957. Later, Scott wrote a book, Neil and Me, about the relationship with his famous rock 'n roll son.

Mr. Young was an outstanding journalist in his time and was respected by fans and players alike. He had an incisive intelligence. He knew how to get a good story and extrapolate on it. He would write his entire column on a goal that was scored in an unusual way. Only The Rocket could score goals like The Rocket. We will not see a Berton to connect the past, a Gzowski to connect the present, a Smythe to build a dynasty or a Scott Young to connect the national game to the national culture. Scott Young will be remembered by all journalists. He was a legend and worthy of Hall of Fame status.

# THE LATE ANDY RUSSELL, O.C.

Hon. Tommy Banks: Honourable senators, I want to say a little about a famous Albertan who has left us. Andy Russell was born in 1915 in Southern Alberta and passed away on June 1 at the age of 89. He was a famous and remarkably successful author, filmmaker, essayist, lecturer, photographer and producer of radio and television documentaries. He wrote 14 books and is the envy of authors because all of them were hugely successful. He produced four feature films and innumerable radio and television documentaries. He received four honorary doctorates and was made a member of the Order of Canada in 1977.

The thing upon which all of that literacy and cinematic success rests is the fact that Andy Russell was a true mountain man. He was a big, strong, fearless, indefatigable, adventurous mountain man. He personified the early history and heritage of Alberta. He came to a remarkable literary capacity even though he was born

in relative poverty on his family homestead in Alberta. He had a neighbour, who was an English remittance man named Harold Butcher, who had a large library containing all the best in English literature. By the time Andy Russell was nine years old, he was reading not only Dickens and Scott but also Keats and Shelley. He had another neighbour, Bert Riggall, who eventually became his father-in-law, who was a world-renowned botanist and naturalist from whom he learned to see nature and the necessity of preserving it through a highly disciplined eye. He applied that to his literary talents, which he developed simply by reading, and regaled us for decades.

Long before we came to know it as biodiversity, Andy Russell recognized the need to find the right balance between nature and human occupation. He encountered bears more frequently than most of us do and literally stared them down on occasion. If ever a fight had occurred between Andy Russell and a bear, the winning bets would have been on Andy.

He told us about a world that now seems to be almost mythical in its romantic and natural grandeur. However, it was not mythical and Andy Russell made it real for the rest of us. Andy Russell was one of the last, living connections to that wonderful heritage of the true west.

# **ROUTINE PROCEEDINGS**

#### THE SENATE

NOTICE OF MOTION TO ESTABLISH NEW NUMBERING SYSTEM FOR SENATE BILLS

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I give notice that at the next sitting of Senate I will move:

That, in order to facilitate references to the various classes of bills introduced in the Senate, namely government bills, public bills or private bills presented by senators, the Standing Committee on Rules, Procedures and the Rights of Parliament be authorized to examine and report upon establishing a new system of numbering for Senate bills.

[Translation]

#### **APPROPRIATION BILL NO. 2 2005-06**

#### FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-58, granting to Her Majesty certain sums of money for the federal public administration for the financial year ending March 31, 2006.

Bill read first time.

The Hon. the Speaker: Honourable senators, when shall this bill be read the second time?

On motion of Senator Rompkey, bill placed on the Orders of the Day for second reading two days hence. • (1350)

[English]

The Hon. the Speaker: When shall this bill be read the second time?

On motion of Senator Rompkey, bill placed on the Orders of the Day for second reading two days hence.

# BANKING, TRADE AND COMMERCE

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO EXTEND DATE OF FINAL REPORT ON STUDY OF ISSUES DEALING WITH DEMOGRAPHIC CHANGE

Hon. Jerahmiel S. Grafstein: Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That, notwithstanding the Order of the Senate adopted on Tuesday, November 23, 2004, the Standing Senate Committee on Banking, Trade and Commerce, which was authorized to examine and report on issues dealing with the demographic change that will occur in Canada within the next two decades, be empowered to extend the date of presenting its final report from June 30, 2005 to December 31, 2005: and

That the Committee retain until March 31, 2006 all powers necessary to publicize its findings.

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO EXTEND DATE OF FINAL REPORT ON STUDY OF ISSUES DEALING WITH INTERPROVINCIAL BARRIERS TO TRADE

Hon. Jerahmiel S. Grafstein: Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That, notwithstanding the Order of the Senate adopted on Tuesday, November 23, 2004, the Standing Senate Committee on Banking, Trade and Commerce, which was authorized to examine and report on issues dealing with interprovincial barriers to trade, be empowered to extend the date of presenting its final report from June 30, 2005 to December 31, 2005: and

That the Committee retain until March 31, 2006 all powers necessary to publicize its findings.

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO EXTEND DATE OF FINAL REPORT ON STUDY OF CONSUMER ISSUES ARISING IN FINANCIAL SERVICES SECTOR

Hon. Jerahmiel S. Grafstein: Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That, notwithstanding the Order of the Senate adopted on Tuesday, November 16, 2004, the Standing Senate Committee on Banking, Trade and Commerce, which was authorized to examine and report on consumer issues arising in the financial services sector, be empowered to extend the date of presenting its final report from June 30, 2005 to November 30, 2005: and

That the Committee retain until December 31, 2005 all powers necessary to publicize its findings.

[Translation]

#### THE SENATE

NOTICE OF MOTION TO STRIKE SPECIAL COMMITTEE ON GAP BETWEEN REGIONAL AND URBAN CANADA

Hon. Marie-P. Poulin: Honourable senators, with leave of the Senate, I give notice that I will move, two days hence:

That a special committee of the Senate be appointed to examine the growing gap between regional and urban Canada;

That research be gathered to consolidate and update current facts and figures regarding this gap;

That testimony be heard to provide an overview of the challenges facing regional areas in several socio-economic areas as transportation, communications, employment, the environment.

That this special committee be authorized to hear testimony in Ottawa and in regions;

That this special committee be comprised of five members, and that three members constitute a quorum; and that two members be sufficient for the purposes of hearing witnesses;

That the committee be authorized to send for persons, papers and records, whenever required, and to print from day to day such papers and evidence as may be ordered by it;

That, pursuant to Rule 95(3), the committee be authorized to meet even though the Senate may then be adjourned;

That the committee be authorized to permit coverage by electronic media of its public proceedings, with the least possible disruption of the hearings;

That the committee submit its final report no later than June 30, 2006, and that the committee retain all powers necessary to publicize its findings until September 30, 2006;

That the committee be permitted, notwithstanding usual practices, to deposit its reports with the Clerk of the Senate if the Senate is not then sitting, and that any report so deposited be deemed to have been tabled in the Chamber.

[English]

#### STATE OF INTERNATIONAL HEALTH SERVICES

# NOTICE OF INQUIRY

**Hon. Wilbert J. Keon:** Honourable senators, pursuant to rules 56 and 57(2), I give notice that on Wednesday, June 22, 2005:

I will call the attention of the Senate to the state of international health services.

### **QUESTION PERIOD**

#### INFORMATION COMMISSIONER

#### ACCEPTABILITY OF REPORTS

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, one of the officers of Parliament, indeed an officer whose appointment was ratified by this house, is that of the Information Commissioner. The current Information Commissioner has dutifully had his reports tabled in this house over the last few years, and I recall no criticism of those reports. Could the Leader of the Government in the Senate let the house know whether the government has had any problems with any of the reports that were submitted to this house by the Information Commissioner?

Hon. Jack Austin (Leader of the Government): Honourable senators, the question is asked in a very skilful way. I would like to reply by saying that it would be my view, if it is the view of the Leader of the Opposition, that a period of time be allowed to Mr. Reid to continue with his work.

#### **EXTENSION OF TERM**

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I thank the Leader of the Government in the Senate for the self-fulfilling prophecy that he has articulated. We on this side would be happy to give him a break any time he wants to come.

My understanding is that there is an interest in Parliament, indeed in both Houses, that there be an extension of the term of the current commissioner, Mr. John Reid, whose term will expire on June 30. Given the time of year, I wonder whether the government would support the idea of an extension of the Information Commissioner's term?

Senator Robichaud: If Bernard Lord gives an extension to the Auditor General in New Brunswick.

Hon. Jack Austin (Leader of the Government): Honourable senators, I believe it would be of value to Parliament to allow John Reid to continue for a period of time with the work he is doing. He has said publicly that he has some work that he would like to have time to finish. I will make those representations on behalf of the Leader of the Opposition and on my own behalf.

Frankly, Senator Kinsella, if you had the job over on this side, you might enjoy it less than you think.

#### NATIONAL DEFENCE

# GAGETOWN— TESTING OF AGENT ORANGE AND AGENT PURPLE

Hon. Michael A. Meighen: Honourable senators, following on from the question I raised yesterday, the government's lethargic approach to dealing with the aftermath of Agent Orange and Agent Purple tests at CFB Gagetown is troubling to us all. As the government dithers, our veterans and our civilians who worked and lived, and continue to work and live near CFB Gagetown are paying the price.

Given the analytical techniques of the day, there is a high probability that amounts of dioxin might be detected at CFB Gagetown if sampling were to take place. According to a CBC television interview today, Dr. Wayne Dwernychuk, who visited Vietnam in 1994 to research the effects of Agent Orange and Agent Purple found traces of dioxin in the soil. In his opinion, it is likely that dioxin could also be found in the soil at CFB Gagetown.

If indeed dioxin is still present in the soil around the base, there is clearly a chance that this poison could be contaminating the water system around the former test sites. There is also a chance that children could be playing in contaminated fields, and farmers could be harvesting crops in fields that still contain this toxic substance.

My question for the Leader of the Government in the Senate today is, given that there is now apparently scientific evidence that dioxin can be detected in soil where Agent Orange and Agent Purple were used in Vietnam, decades after their use, will the government finally make this issue a priority, and undertake tests at CFB Gagetown and the surrounding areas to find out if Canadians are at risk?

#### • (1400)

Hon. Jack Austin (Leader of the Government): Honourable senators, I am surprised that Senator Meighen's question does not take into account the answers I provided yesterday to this chamber with respect to the use of Agent Orange and Agent Purple at Gagetown. Perhaps the senator's assistant did not have time to consider the Senate Hansard yesterday.

There is no basis for any representation that the government is acting in a dilatory manner. The government is proceeding aggressively, as I said yesterday, to track what took place. I want to confirm that the government is testing the soil, vegetation and water at CFB Gagetown for residual contamination. The results will be made public as soon as they are received. The department is also committed to undertaking a long-term study of the herbicides used at CFB Gagetown and at other military sites across the country.

As honourable senators heard yesterday, when these herbicides were used, they were not known to be harmful to humans. They were used in accordance with the common practices at the time. These herbicides were also used commercially in this country in

other places and were thought to be effective in the control of underbrush. Therefore, we are tracing back over 40 years to see what took place and which individuals might have been exposed to these particular agents.

We now have information based on the advance of technology that indicates the toxicity of Agent Orange and Agent Purple. I want to repeat that the government is acting aggressively to put this file together and to ascertain the risk to any Canadians who were involved in this way.

Senator Meighen: Honourable senators, the Leader of the Government in the Senate might also wish to consult his staff and the record when he refers to testing. As I read his response from yesterday, I do not see the word "test" appear anywhere. He said:

The Department of National Defence is now searching for all available information with respect to when these two toxic chemicals were used and in what areas, and to determine who was affected by them.

My question was based on the necessity of conducting tests as a result of the testing carried out by Dr. Wayne Dwernychuk in Vietnam. I was seeking information as to what tests were to take place under the supervision of the department. I leave that with the Leader of the Government.

I have a supplementary question. While I do not think anyone is suggesting that toxicity was known or recognized at the time — no one is seeking to throw blame in that area — the fact remains that the United States ceased to continue using Agent Purple in Vietnam in 1965. Why did the Liberal government of the day continue using Agent Purple at CFB Gagetown until 1966 when the Americans themselves had apparently stopped its use a year before?

Senator Austin: Honourable senators, I will seek information as to when Agent Purple was last used in Canada, particularly at CFB Gagetown. I will add Agent Orange to the inquiry and ask about the use of those two agents in Vietnam or elsewhere. I will seek information as to when their use was discontinued commercially in the United States.

#### HOUSE OF COMMONS

ETHICS COMMISSIONER— REPORT ON MEMBER FOR YORK WEST

Hon. Marjory LeBreton: Honourable senators, the Ethics Commissioner in the House of Commons began his study on Judy Sgro eight months ago. Does the Leader of the Government in the Senate have information on why it is taking so long to release this report?

Hon. Jack Austin (Leader of the Government): Honourable senators, I cannot answer for the Ethics Commissioner in the House of Commons.

**Senator LeBreton:** Apparently, the report is ready. Two weeks ago, Mr. Shapiro gave excerpts of it to those named in it and gave them a week to respond.

Leaving aside the question of whether Mr. Shapiro is open to changing his report if the named Liberals were to apply pressure, not to mention the heads-up this gives to the PMO spin doctors, could the Leader of the Government assure the Senate that this report will be made public before Parliament rises for the summer recess?

Senator Austin: Honourable senators, I think Senator LeBreton has made her political statement.

ETHICS COMMISSIONER—HIRING OF LAW FIRMS

Hon. Marjory LeBreton: I will make another one, then.

Honourable senators, Democracy Watch has posted the following on its website:

To conduct the investigation into Sgro's and other's actions, the Ethics Commissioner (hired without a contract bidding competition) law firm Borden Ladner Gervais (BLG). BLG donated \$165,000 to the federal Liberals between 2000 and 2003 (2004 figures are not yet publicly available); donated more than \$25,000 to Paul Martin's campaign for the Liberal Party leadership; has three partners representing Liberals before the Gomery Commission inquiry (David W. Scott, Peter K. Doody representing Jean Chrétien, and Guy J. Pratt representing Jean Pelletier), and; in February 2005 hired Gar Knutson, former Cabinet colleague of Judy Sgro.

Honourable senators, can the Leader of the Government in the Senate assure us that the investigation into the Dosanjh-Murphy-Grewal affair will not be tainted by the Ethics Commissioner hiring a firm with Liberal connections to do the work?

An Hon. Senator: Point of order!

The Hon. the Speaker: Points of order during this part of the proceedings are not in order. They are raised after Routine Proceedings and before Orders of the Day.

Hon. Jack Austin (Leader of the Government): Honourable senators are aware that I do not answer for any actions of the Ethics Commissioner in the other place. The other place does its business and we do our business.

I do understand that Senator LeBreton wants to make political statements on our record and is free to do so. We on this side are also free to do so.

Honourable senators, Senator LeBreton alleged some months ago that Borden Ladner Gervais was a Liberal law firm, and I answered that there are no such things as Liberal law firms or Conservative law firms. There are law firms and they are professionals. They do their work as their clients hire them to do.

It is also a matter, I hope, of contribution to the public political process and the party process that Canadians, whether they are lawyers or in any other walk of life, give financial support to the parties of their choice. Many of them give financial support to multiple parties.

The innuendo that somehow this particular law firm might have a bias is a very serious charge against their professional standing in this community.

Senator Tkachuk: Please!

Senator Austin: It is a very serious charge. If it were made outside this chamber, honourable senators, legal consequences might follow.

Senator LeBreton: I was quoting Democracy Watch, who made these comments on the public record. I am sure that the head of Democracy Watch will be very interested in the comments of the honourable leader. I will make sure he has them.

• (1410)

Senator Austin: Honourable senators, Democracy Watch is one of those useful non-governmental organizations that sometimes go over the top in their observations.

Senator Kinsella: Dear, dear!

#### CANADA-UNITED STATES RELATIONS

PROPOSAL TO VET CANADIAN AIRLINE PASSENGER LISTS OF DOMESTIC OVERFLIGHTS

Hon. David Tkachuk: Honourable senators, on June 10, in the Moncton *Times & Transcript* Frank McKenna implied that U.S. authorities will likely relent on their proposal to vet passenger lists for Canadian domestic flights across U.S. airspace. Currently, there are 2,300 such flights a week.

My question is for the Leader of the Government. Does he have additional information on discussions Canada is having with the U.S. government on this issue?

Hon. Jack Austin (Leader of the Government): No, honourable senators, I do not. The report is accurate. Canada is holding discussions on the subject of overflights and reports on passenger complements.

[Translation]

# DELAYED ANSWER TO ORAL QUESTION

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour of presenting a delayed answer to an oral question raised on June 7, 2005 by Senator LeBreton concerning the Access to Information Act — legislation to amend.

#### **JUSTICE**

#### ACCESS TO INFORMATION ACT— LEGISLATION TO AMEND

(Response to question raised by Hon. Marjory LeBreton on June 7, 2005)

The Access to Information Act is a complex statute, and it is the foundation of an access regime that serves Canadians on an ongoing basis. For this reason, we need to approach

reform thoughtfully to ensure that reforms actually provide appropriate and workable improvements to the overall scheme.

That is why the Government decided that the most appropriate step towards access reform was to present the Standing House Committee on Access to Information, Privacy and Ethics with a discussion paper, entitled "A Comprehensive Framework for Access Reform." The paper, presented to the Committee in April, raises complex questions on access reform which we have asked the Committee to study.

The Government has invited the Committee to examine the specific concerns which are outlined in the discussion paper, for example those issues regarding Cabinet confidences, Crown corporations, agents of Parliament, and modernizing current exemptions and creating new exemptions.

The Government agrees that we need to have the most comprehensive and workable access legislation possible. We must therefore craft a set of reform proposals that carefully and effectively balances the complex and varied interests at stake. The Government maintains that the Committee has a key role to play by reviewing the issues in the discussion paper and by considering the views expressed by all interested parties.

Once the Committee has completed its important work, the Government will be in a far better position to move forward with access reform.

[English]

#### **BUSINESS OF THE SENATE**

Hon. Jerahmiel S. Grafstein: Honourable senators, I have a point of order. I will begin by saying that I am not sure that it is a valid point of order. I ask that you listen and then shoot it down, if you choose.

It is inappropriate in this chamber to raise questions that go to the Ethics Commissioner in the other place. If the other place were to raise questions with respect to our ethics process, which is somewhat different from that of the other House, we would be equally upset. There is a separation of powers that we should respect in this chamber.

Senator Robichaud: That is a good point of order.

The Hon. the Speaker: Honourable senators, no rule or parliamentary practice has been cited, and I am aware of none. I do not believe there is a point of order.

[Translation]

# ORDERS OF THE DAY

# NATIONAL DEFENCE ACT CRIMINAL CODE SEX OFFENDER INFORMATION REGISTRATION ACT CRIMINAL RECORDS ACT

BILL TO AMEND—SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Pearson, seconded by the Honourable Senator Milne, for the second reading of Bill S-39, An Act to amend the National Defence Act, the Criminal Code, the Sex Offender Information Registration Act and the Criminal Records Act.

Hon. Pierre Claude Nolin: Honourable senators, I am pleased to speak today to Bill S-39 at second reading.

The purpose of this bill is to amend the National Defence Act, the Criminal Code and the Sex Offender Information Registration Act, Bill C-16, assented to on April 1, 2004.

From the outset, I want to point out that this is not the first time in the history of this chamber that we are being asked to consider a legislative initiative that extends to the military justice system the use of a measure originally intended for civil courts only.

Honourable senators will recall that in 2000 we passed Bill S-10 following a request by senators on the Standing Senate Committee on Legal and Constitutional Affairs to the Minister of Defence and the then Solicitor General.

The purpose of that bill was to extend to the military the application of new provisions in the Criminal Code on DNA samples and their storage in the new National DNA Data Bank. These provisions were included in Bill C-3, which was enacted in December 1998. They were meant to help police officers arrest repeat sex offenders and murderers more quickly in order to better protect the Canadian public.

At that time, I supported the grounds that led to the adoption of Bill C-3. Having said that, like my colleagues on the Standing Senate Committee on Legal and Constitutional Affairs, I nevertheless concluded after an in-depth review of this new legislation, that the Departments of the Solicitor General and of National Defence had forgotten to include the military in its application.

In other words, no DNA profile of members of the military convicted of serious violent crimes defined in the Act would be stored in the data bank. Only those individuals found guilty of such crimes under our civilian justice system would be included.

This situation was unacceptable because, under the provisions of Bill C-25 which greatly modernized the military justice system, legal proceedings concerning offences of a sexual nature would in future come under a court martial and not the civil courts.

Moreover, this serious gap would compromise achievement of the objective set by the framers of the bill. For those reasons, the government introduced Bill S-10.

Honourable senators, as Senator Pearson stated last Thursday, the same problem arose when the Standing Senate Committee on Legal and Constitutional Affairs examined in detail — as it always does — Bill C-16 in the winter of 2004.

That bill created a National Sex Offender Registry. During our work, the members of the committee, along with Senator St. Germain, told the Minister of Public Safety and Emergency Preparedness that, for reasons of equity, the Sex Offender Information Registration Act had to apply to persons convicted by the civil courts and by the military courts.

There is no doubt in my mind that military and civilian sex offenders should suffer the same consequences for the reprehensible acts they have committed. Sex offences by members of the military hurt the image of our Armed Forces, in Canada and overseas.

Honourable senators, for these two reasons, I support Bill S-39 because it will make it possible, or so I hope, for members of the Canadian Armed Forces, other Canadians and civilians who support our forces in operations around the world to be better protected against this kind of criminal activity.

That being said, honourable senators, I have no intention of explaining in detail the provisions of Bill S-39 since that has already been done, and well done, by Senator Pearson.

I would rather draw your attention to a few specific provisions of this initiative that should be examined very closely by the members of the committee during the next few weeks.

Since April 2004, most Canadians have thought that the National Sex Offender Registry is fully operational. Unfortunately, that is not the case. I noted that it is not the case as recently as yesterday morning, when reading the Sex Offender Information Registration Act on the Department of Justice website.

According to the site, the act is still not in force since the Governor in Council does not appear to have passed an Order-in-Council for that purpose. Is this just a simple administrative oversight? Honourable senators, I doubt it. Was the introduction of Bill C-16 delayed by federal-provincial negotiations aimed at creating the registry and ensuring its effective operation?

• (1420)

Will the technical amendments to the Sex Offender Information Registration Act proposed in Bill S-39 lead to its coming into force? Is the federal government waiting for the decision of the courts on the constitutionality of the "Christopher Act," in Ontario, before proceeding with this bill?

Just like us, Canadians are now waiting for answers to these questions as well as the following question: when will the provisions of Bill C-16 come into force? It is important that officials of the Department of Public Safety and Emergency Preparedness specify the reasons for this note in order to reassure Canadians and not hold up the implementation of Bill S-39.

The second point that I would like to raise concerns the list of offences covered by Bill S-39. Just as in the case of Bill C-16, any person convicted of a designated offence, as provided in clause 4 of Bill S-39, might have to register pursuant to an order issued by a court martial.

The designated offences are separated into two categories.

The first category includes the exhaustive list of offences of a sexual nature referred to in subsection 490.011 of the Criminal Code. The second category includes various offences under the National Defence Act that, even if not of a sexual nature, may lead to the commission of such a crime.

Some examples include offering violence to a superior officer, abuse of subordinates, disgraceful conduct or any offence against the property or person of any inhabitant or resident of a country.

Anyone found guilty of a designated offence must register as a sex offender only if it has been established beyond a reasonable doubt that the person committed the offence with the intent to commit an offence of a sexual nature.

What is the premise behind this argument that such offences lead to the perpetration of crimes in the first category? In other words, the Minister of National Defence should explain the epidemiological or scientific basis for such a decision. That said, I now want to address a third aspect of Bill C-39 before concluding my remarks.

In order to be effective, the provisions of the Sex Offender Information Registration Act must be adapted to the military environment and the operational context of the Canadian Forces.

To this end, clause 4 of Bill S-39 states that the Chief of the Defence Staff may suspend the application of the prescribed time limits, in particular those in an order to register, if the member of the military personnel is unable to comply for operational reasons.

Obviously, such determinations will be governed by regulations. We should be informed of the contents of such regulations in order to better verify how this provision will be enforced. Clause 4 also states that if some of the information collected for the purposes of the registry could jeopardize a military operation, international relations or national security, the Chief of Defence Staff may prohibit its inclusion in the registry.

Hypothetically speaking, the Chief of the Defence Staff could invoke this provision in reference to a member of the top secret Joint Task Force 2 subject to an order to register.

Honourable senators, in recent years we have all become aware that the concept of protecting national safety, necessary as it is, can lead to abuses aimed at covering up certain problems or administrative errors. Contrary to the other measure to which I have referred, the refusal to disclose certain information to the database is not regulated.

In that context, the Minister of National Defence will need to provide some explanations on how this important discretionary power will be applied. We do not want it to be used excessively to exclude military personnel with impunity from the provisions of Bill S-39.

In other words, the objective of the database — which is to facilitate the work of police forces in order to enhance public safety — must not be unduly subordinated to the other interests of the Canadian Armed Forces.

Finally, Bill S-39 will be an addition to the measures taken by National Defence in recent years to deal with sexual offences. Those arose out of the publication of two special reports the by the DND ombudsman in 2000, with a view to improving the handling of complaints of sexual assault and the services available to victims.

We have learned from past events that, notwithstanding the extremely high degree of professionalism among its ranks, the Canadian Armed Forces are, unfortunately, not immune to these reprehensible and insidious crimes.

Honourable senators, the Department of National Defence deserves our congratulations for the energetic measures it has taken in recent years to deal with this internal problem. Without a doubt, Bill S-39 will provide the Canadian Armed Forces and the military police with one more means of ensuring the safety of not just its members, but all Canadians as well.

That is why this legislative initiative ought to be referred without further delay to the Standing Senate Committee on Legal and Constitutional Affairs.

[English]

The Hon. the Speaker: No senator rising to speak. Are honourable senators ready to deal with the question at this time?

Hon. Senators: Question!

The Hon. the Speaker: It was moved by the Honourable Senator Pearson that this bill be read the second time now.

Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Rompkey, bill referred to the Standing Senate Committee on Legal and Constitutional Affairs.

## SPIRIT DRINKS TRADE BILL

#### SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Mitchell, seconded by the Honourable Senator Massicotte, for the second reading of Bill S-38, respecting the implementation of international trade commitments by Canada regarding spirit drinks of foreign countries.

Hon. James F. Kelleher: Honourable senators, I rise today to speak to Bill S-38, which deals with Canada's trade commitments regarding spirit drinks. I only hope the consideration of it does not risk the Senate's well-known reputation as the chamber of sober second thought.

Honourable senators, this bill is not to be confused with a similarly numbered but far more controversial bill, Bill C-38. The letters enumerating both bills do tend to roll off the tongue in a similar fashion. I would admonish my fellow senators to indeed remain sober when considering Bill S-38, lest we find ourselves debating marriage vows when we should be debating Brown Cows.

(1430)

In preparing my remarks today, I pored over — pardon the expression — the sponsor's speech at second reading. In my opinion, he distilled the main elements of the bill more than adequately. Rather than do that again, I should like to provide a chaser, if you will.

I am a former Minister for International Trade. I continue to have a keen interest in trade to this date. I am a strong proponent of free trade. In fact, you might say I am a trade-aholic. Therefore, you will not be surprised to learn that I and my colleagues in the Conservative Party of Canada support this bill, though I cannot pass up the opportunity to take a few shots at it.

First, this bill does not deal with wine but with spirit drinks only. Vintners are waiting for a separate piece of legislation shortly that should deal with wine. I want to clarify this issue because I fear that the sponsor's speech at second reading may have left a misleading impression, emphasizing the benefits for Canadian wine producers of this piece of legislation. Looking at the bright side, there is precious little to say that deals with wine. Hopefully we can look forward to a short second reading speech from the other side.

This is a minor matter and one for which the sponsor perhaps is not entirely responsible. The fact may lie within the legislation itself, for nowhere in the definition section of the bill do we find an explicit definition of "spirit drink." This may lead to conclusions for the more abstemious among us who can easily mistake wine for a spirit drink when clearly it is not, though the end result of drinking too much of either, I can assure you, is much the same. That is from past experience.

Honourable senators, the Excise Act defines a spirit as:

any material or substance containing more than 0.5 per cent absolute ethyl alcohol by volume other than

- (a) wine;
- (b) beer;
- (c) vinegar;
- (d) denatured alcohol;
- (e) specially denatured alcohol; (f) an improved formulation; or
- (g) any product containing or manufactured from a material or substance referred to paragraphs (b) to (f) that is not a consumable beverage.

I am sure everyone wanted to know that.

This raises a question that if the Excise Act includes such a definition, should the Spirit Drinks Trade Bill also include such a definition? After all, this bill contains a provision to allow cabinet to expand the act schedule to accommodate future agreements. Therefore, a definition would be a useful guide for the interpretation of this act for such future expansion.

Honourable senators, on that basis, if not to clear things up for Senator Mitchell, I would strongly recommend the inclusion of a definition of "spirit drinks" in this bill.

Let me turn to another concern. Under the provisions of the Canada-European Community Wine and Spirits Agreement, the measures spelled out in this bill must be completed by June 2006. Those measures include the designation of inspectors and analysts to enforce the act. Penalties for non-compliance with the act range from \$50,000 to \$250,000 or a prison sentence from six months to three years. These penalties are not unsubstantial.

Honourable senators, is there a grace period for those not in the know? If not, will the government ensure that spirit makers are well informed about the act when it comes into force?

Honourable senators, I look forward to discussing this bill in committee.

Senator Austin: I want to contribute to the debate by thanking Senator Kelleher for not letting our spirits down today.

The Hon. the Speaker: There being no other senator wishing to make a comment or a speech, are you ready for the question?

Hon. Senators: Question!

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Mitchell, bill referred to the Standing Senate Committee on Agriculture and Forestry.

# CRIMINAL CODE CULTURAL PROPERTY EXPORT AND IMPORT ACT

BILL TO AMEND—SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Baker, P.C., seconded by the Honourable Senator Eggleton, P.C., for the second reading of Bill S-37, to amend the Criminal Code and the Cultural Property Export and Import Act.

**Hon. Janis G. Johnson**: Honourable senators, I rise today to speak to Bill S-37, to amend the Criminal Code and the Cultural Export and Import Act.

Bill S-37 lays the groundwork for Canada's accession to two international protocols. These are the first and second protocols to UNESCO's 1954 Convention for the Protection of Cultural Property in the Event of Armed Conflict, also known as The Hague Convention 1954. Canada acceded to The Hague Convention in 1958, but has not yet ratified its protocols.

The Hague Convention is a very important international instrument. As honourable senators know, cultural property, be it a millennium-old church, a museum housing priceless artworks, or a significant historical artifact, is critical to our understanding of history. They are symbols of a people's sovereignty and of ourselves. This value has made them tempting military targets through the centuries of human conflict.

The destruction and looting of the First and Second World Wars had thrown into sharp relief, by 1954, the need for a way to safeguard these cultural resources during times of conflict. The result was the first instrument to deal solely with the protection of cultural property, acknowledged not only as national, but as world heritage. The convention now has 105 states parties, and the list continues to grow.

In practical terms, The Hague Convention lays down ground rules to be followed by states parties for protecting cultural property during times of war. The convention sets out responsibilities for both attackers and defenders in military conflict. Attackers must do everything they can to avoid military manoeuvres that might damage cultural property. Defenders must undertake to protect their cultural property, including establishing during peace times, plans and measures to safeguard objects during times of conflict, ensuring military targets are kept at a safe distance from cultural property, and avoiding using cultural property as a shield for a military target.

Measures in the convention allow for the emergency transportation, protection and even legal export of property during times of war. The convention also creates an international register for the special protection of cultural property, which affords listed property some immunity from attack. A special emblem marks such property to make its protection under the convention clear. In addition, the convention establishes mechanism for implementation of the convention in times of conflict and for mediating disputes.

• (1440)

The first protocol, which Canada has not yet acceded to, was created the same time as the convention. It mainly deals with the behaviour of occupying forces. It forbids an occupier from exporting cultural property and obliges the accompanying party to seek out and return any such property illicitly exported during the occupation.

The second protocol, adopted in 1999, was created in response to a review of The Hague Convention in the 1990s. The review was commissioned to address concerns that some aspects of the convention were not strong enough to adequately protect cultural property. These weaknesses came from sharp focus in the 1990s with incidents like the destruction of the historic Mostar Bridge during the Yugoslavian upheaval and the looting of Kuwait by invading Iraqi forces at the beginning of the Gulf War. This review was also meant to identify elements of the convention that needed to be modernized to take new technologies and new international instruments into account. The second protocol thus addresses these issues with the convention that had become apparent over the years.

The second protocol tightens the definition of "military necessity," a concept that allows an attacking force to bypass the protection of cultural property under certain circumstances. This narrows the loophole that allows such attacks. The protocol also creates a new "enhanced protection" register for cultural property of the highest significance to humanity. Including a property on this list gives it greater immunity in times of war than the "special protection" list would have given.

A new 12-member committee for the protection of cultural property administers this list and the implementation of the convention. The committee also administers a new fund to help countries properly plan for the protection of their cultural property in preparation for war and to help with emergency protection during conflicts.

The second protocol also establishes individual responsibility for crimes against cultural property — like arson, theft or vandalism — as defined under The Hague Convention and sets out the basis for extradition of such suspected criminals. This means that states parties have to change their domestic laws to comply with the prosecution of these new offences.

Honourable senators, this brings us back to the subject of Bill S-37, which amends two acts to bring our laws into line with the protocols. First, it amends the Criminal Code to let us prosecute Canadians who steal or commit mischief or arson against cultural property outside of Canada. It establishes that everyone who steals or commits mischief against such property is guilty of an indictable offence with the maximum sentence of 10 years or is punishable on summary convention.

Second, the bill amends the Cultural Property Export and Import Act with the goal of bringing our laws into line with the requirements of the first convention. A new section added to the act makes it illegal for a Canadian to illicitly export cultural property from an occupied territory. Offences are deemed to have been committed on Canadian soil for the purposes of prosecution. This new section also allows the Attorney General to seek recovery of the illegally exported property through an action in the federal or provincial superior court. This court can award compensation to a bona fide owner of the property.

Finally, for clarity, the Export and Import Act is amended by adding The Hague Convention definition of "cultural property" as a schedule at the end of the act.

Honourable senators, this is largely the scope of the bill. The Conservative Party supports Bill S-37. It prepares Canada for the adoption of two protocols critical to the protection of world heritage. This is clearly a positive move.

There are, though, a couple of points that need closer examination. These have mainly to do with the implementation of the protocols for which the bill lays the groundwork. For example, it is unclear thus far exactly how the implementation of the protocols will affect our Armed Forces, who will come under obligations to change or possibly add procedure to comply with our new responsibilities. The protocols also require the extensive education both of military personnel and the general public about the convention. As this is a government bill introduced in the Senate, we know that no money is allocated here for these changes.

Another reservation concerns the location of our cultural property. I am thinking of Ottawa in particular where the headquarters of the Department of National Defence, the American Embassy and even Parliament Hill, all potential military targets, are located within a few blocks of the National Gallery of Canada and much of the city's historic architecture. The fact that The Hague Convention requires states parties to locate military targets as far as possible from cultural property is probably something that most signatories will have some level of difficulty dealing with.

As honourable senators know, a new museum, the Portrait Gallery of Canada, is due to move in across the street from where we sit in a couple of years. This appears to have been planned without much thought given to the responsibilities we have to live up to under the convention and its protocols. I am confident these issues will be given scrutiny by the Senate committee that examines this bill.

Hon. Serge Joyal: Honourable senators, I commend Senator Johnson for her analysis of the convention and wish to share some thoughts in the context of Bill S-37.

Some 28 years ago, I was the promoter of the original bill in the other place establishing the Canadian Cultural Property Export Review Board. Through the years, I have tried to keep an eye on the development of that board and the work that original bill triggered in the federal government administration.

I share those thoughts with honourable senators today in the context of Bill S-37 because this bill seems to be innocuous when one reads the short title. As stated on the Order Paper, Bill S-37 is simply labelled "An Act to amend the Criminal Code and the Cultural Property Export and Import Act." No one would think that we are dealing with war here. This bill is about war. We all know that war brings casualties on humans, the army, the civil population and properties. Among the properties targeted by hostile act are works of art, monuments, heritage, artifacts, archaeological sites, documents and libraries. Everything that identifies a population could be a target of war.

We have learned how the Egyptian Pharaoh Ramses of Cairo, the Greek Alexander the Great of Alexandria and Julius Caesar of Rome brought home from victories trophies constituting art works and foreign slaves.

Through the centuries, civilization wanted to address those issues, and it is through a series of international conventions that the civilized world began to protect civil populations, armies and properties. If we look into the archives of the international convention, we notice that since the middle of the 19th century, 1856 to be specific, more than 100 conventions and international instruments have been devised to establish regimes to treat the population in a humane and more adequate condition.

Civilization tried to protect international cultural sites, especially because such sites are the property of the world. They are testimony to the genius of humanity. We all have in mind the souvenirs of World War II and the bombing of Dresden in Germany and Warsaw in Poland. Recently, a museum situated on the dividing line between the Islamic and Christian neighbourhoods of Beirut was bombed. At the beginning of the Afghanistan war, the Buddhas of Bamiyan were bombed.

• (1450)

During the invasion of Iraq in the spring of 2002, the Museum of Baghdad was looted. The museum contained 80,000 cuneiform tablets of some the world's earliest writings, a 4,000-year-old silver harp from the ancient city of Ur, a 5,000-year-old, three-foot, carved Sumerian vase and a 4,600-year-old carved sacred cup. That museum was totally looted. It was left with no protection at the door for months so that anyone could take whatever they wanted.

Senator Johnson spoke about what happened in the city of Dubrovnik, the jewel of the Balkans. It dates back to the 8th century and is the most important medieval and high Renaissance city of the Balkans. I had the pleasure of visiting it 20 years ago. Dubrovnik was recognized as a world heritage site by UNESCO in 1979.

According to the convention that rules the protection of that city, flags were to be placed at the top of each important building so that attacking forces would not bomb them. Those important structures included the Franciscan Monastery, the Rector's Palace, the old bridge, the walls and the fortified churches of the city. The invading forces used the white flags in order to specifically bomb those sites and destroy the city.

That, of course, triggered very aggressive international reaction. There were complaints to the international tribunal established for the former Yugoslavia. Among the 16 charges that were brought against the air force that attacked Dubrovnik was the charge of destroying the city. Under international law, the attacking air force was ruled responsible for that destruction, the first time that such a decision had been taken by an international court. When the International Criminal Court was established through the Treaty of Rome in 1998, section 8 of the constituting statute clearly established the competence of the court to hear such complaints.

Honourable senators, this bill is very important. In reviewing the convention of 1954, I realized that the dossier of Canada was not above suspicion. In 1998, Canada signed the convention that is mentioned in the bill. As Senator Johnson said, section 25 calls upon Canada to adapt its criminal law to the convention. Pursuant to section 28, Canada undertook to do that within six months of signing the convention. It is now 2005, honourable senators, and we have not done so. Canada was the ninety-fourth country to sign the convention that was created in 1954, near the tail end of the 114 signatories.

That convention triggered two other protocols. The second protocol was proposed to the international community in 1999, and we have still not ratified it. We seem to be slow to understand our international responsibility in relation to world cultural properties.

In addition, pursuant to the convention, Canada has a responsibility to denounce parties that have not assumed their responsibilities within the convention. Two countries have not signed any of the conventions—the United States and the United Kingdom. That is important to consider because many American groups have denounced what happened in Baghdad during the invasion of Iraq and Kuwait. Those groups include the American Council for Cultural Policy, the Association of Art Museum Directors, the American Schools of Oriental Research, the World Archaeological Congress, the International Council of Museums and the British School of Archaeology. All of those groups have identified the weaknesses of those conventions, yet the countries that usually lead the forces for peace around the world have not recognized that they have an inherent responsibility to protect the treasures of the countries in which they lead operations at the same time as they try to protect the population.

This is an important bill and I congratulate the government for introducing it in this chamber. Despite the respect I have for the Foreign Affairs Committee, I think perhaps this bill should be considered in two committees. It clearly has international implications, as it deals with The Hague Convention of 1954 and 1999, but there are other aspects of the cultural policy of Canada that must be addressed. I would like to hear not only from the Department of Foreign Affairs but also from Heritage Canada, because it has responsibility in this matter as well.

As Senator Johnson said, and as the convention indicates, no commissioner has been appointed in Canada to oversee the identification of sites that are of importance to Canada. There are sites in Canada of UNESCO quality. I think of Quebec City, one of the most ancient European settlements on the continent, and there are other sites of UNESCO importance in Canada.

Honourable senators, Bill S-37 gives us an opportunity to take up that responsibility and to be informed of what our Armed Forces do in this regard. We have a contingent at Camp Julien in Kabul. Have those troops been instructed on their responsibility with regard to this convention not only there but all around the world?

Every 10 years there has been an international conflict in which Canadian Forces have served in a mediating capacity, and this convention sets out our responsibilities in this regard.

Honourable senators, I would like to commend Senator Johnson and Senator Baker for having brought this bill to our attention. The title makes it seem innocuous, but in reality it deals with a matter of importance to the survival of civilization and the protection by Canada of the soul and brain of the cultural identity of every country of the world.

• (1500)

**The Hon. the Speaker** *pro tempore*: Are senators ready for the question?

Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

The Hon. the Speaker pro tempore: Honourable senators, when shall this bill be read the third time?

On motion of Senator Rompkey, bill referred to the Standing Senate Committee on Foreign Affairs.

# NATIONAL SECURITY AND DEFENCE

BUDGET—REPORT OF COMMITTEE ON STUDY OF VETERANS' SERVICES AND BENEFITS, COMMEMORATIVE ACTIVITIES AND CHARTER ADOPTED

The Senate proceeded to consideration of the ninth report of the Standing Senate Committee on National Security and Defence (budget—Study on the services and benefits provided to veterans in recognition of their services to Canada), presented in the Senate on June 14, 2005.—(Honourable Senator Meighen)

Hon. Michael A. Meighen moved the adoption of the report.

Motion agreed to and report adopted.

#### SCRUTINY OF REGULATIONS

# SECOND REPORT OF JOINT COMMITTEE DEEMED ADOPTED

The Senate proceeded to consideration of the second report of the Standing Joint Committee for the Scrutiny of Regulations (Report No. 75—Disallowance), presented in the Senate on May 5, 2005.—(Honourable Senator Bryden)

Hon. Bill Rompkey (Deputy Leader of the Government): Our understanding is, honourable senators, that this item drops automatically from the Order Paper.

Hon. John G. Bryden: For clarification, honourable senators, I believe what really occurs is that on this day, which is the limit day, this chamber is deemed to have adopted our report. This is the fifteenth day.

The Hon. the Speaker pro tempore: This report is subject to section 19.1(5) of the Statutory Instruments Act:

The resolution is deemed to have been adopted by the Senate or the House of Commons on the fifteenth sitting day after the report is presented to that House unless, before that time, a Minister files with the Speaker of that House a motion to the effect that the resolution not be adopted.

This is the fifteenth day.

Senator Bryden: If I could, I will speak to that point. The Statutory Instruments Act functions automatically. It has time limits under which action is taken unless it is interrupted. On the fifteenth day after the report to disallow particular regulations has been tabled in this chamber, the chamber is deemed to have adopted that report unless the minister, and the only minister we have is Senator Austin, has followed certain procedures in order to move that it not be adopted. Since that action has not been taken and is not being taken and cannot be taken now because notice would have had to be given, today is the last day and the report is automatically adopted at the end of this day.

Hon. Jack Austin (Leader of the Government): Honourable senators, if I may add further confusion to the issue, I am advised that, in the other place, the report was not adopted but indeed returned to the Standing Joint Committee of the Senate and the House of Commons for the Scrutiny of Regulations for further consideration. The result of the action in the other House is that the adoption of this report here is a nullity under the legislation. If this is not correct, I would like to advise the house further, but I believe that is an accurate statement of what has taken place. Therefore, no action need be taken in this chamber because the other place has determined the outcome of this report.

• (1510)

Senator Bryden: It is correct that in order for the regulation to be disallowed, it must be disallowed in both Houses. It is being disallowed in this house under the rules, but in the meantime, because they sit five days a week instead of the three that we do, their time limit came up earlier. As Senator Austin has indicated, they decided not to adopt the report at this time, but to refer it back to the committee. It is not disallowed; it is referred back to the committee.

I can provide more information about that matter because the department that is involved had introduced a piece of legislation that placed the offending regulation in the act, which makes it legal. They were hopeful that they could get unanimous consent in

the other place to expedite passage and then perhaps both houses could withdraw the provision. That unanimous consent was not forthcoming because of one party's position on the matter. Therefore, they went ahead with their second option, which was to refer it back to the committee. We let ours run.

I wish to indicate, for the information of honourable senators, that if the bill is not moved expeditiously through the other chamber, then because this action has been referred back to our committee by the House of Commons, the same report will be back before both Houses expeditiously.

Hon. Tommy Banks: I am confused. I hope that Senator Bryden will answer my question for future reference. Senator Bryden says that day 15 is the day on which the action is deemed to have been taken. Yet, the number in brackets above the item on the Order Paper reads 13. Is it the case that the 13 is wrong because the report was tabled two days before something that I do not know about?

Senator Bryden: I believe the difference lies between when we started to debate the report and when it was actually tabled. That is the two days.

The Hon. the Speaker: Perhaps I could assist, honourable senators. The day when the report was adopted by the committee is the date from which the time runs. That is the 15 days. The 13 days is the time the matter has been on our Order Paper.

Report deemed adopted pursuant to section 19.1(5) of the Statutory Instruments Act.

[Translation]

## NATIONAL SECURITY AND DEFENCE

MOTION TO AUTHORIZE COMMITTEE
TO MEET DURING SITTING OF THE SENATE—
DEBATE ADJOURNED

On the Order:

Resuming debate on the motion of the Honourable Senator Nolin, seconded by the Honourable Senator LeBreton:

That the Standing Senate Committee on National Security and Defence have power to sit on June 20, 21 and 22, 2005, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto; and

That if the Senate has adjourned for a period exceeding one week, the Standing Senate Committee on National Security and Defence be empowered, in accordance with Rule 95(3), to sit on June 20, 21 and 22, 2005.—(Honourable Senator Stratton)

Hon. Pierre Claude Nolin: Honourable senators, I move the motion standing in my name.

Hon. Fernand Robichaud: Honourable senators, the motion before us seeks authorization for the Standing Senate Committee on National Security and Defence to sit on June 20, 21 and 22, 2005. These dates fall next week.

I am a little confused. Yesterday, we received the 8th, 9th, 10th, 11th, 12th and 13th reports of the Standing Senate Committee on National Security and Defence. Some of them were nothing more than a single sheet of information providing a list of witnesses who had appeared before the committee. I would simply like to ask a few questions of the committee chair, should he be present here tomorrow. I therefore move that this matter stand until the next sitting of the Senate.

Senator Nolin: Honourable senators, I have doubt as to the relevance of my colleague's questions. However, I do not think it will delay passage of the motion before us.

The motion requests that the Standing Senate Committee on National Security and Defence be authorized to sit on June 20, 21 and 22, 2005, even if the Senate is sitting at that time. I have taken part in the various debates. There was one question, among others, as to whether the committee could travel sufficiently quickly to permit members to attend voting, if votes were called in the Senate chamber.

[English]

The Hon. the Speaker: Honourable senators, the table is looking quizzically at me, as are others, so I think I should share with the chamber how I see what we are doing.

Senator Nolin rose when the item was called and asked that the question be put. He moved the motion, but it had been moved.

Senator Robichaud then rose and I did not put his motion to adjourn the debate. I was giving Senator Nolin an opportunity, because it was his time — I could interpret it that way, although that may be generous — to comment on Senator Robichaud's question. Although Senator Robichaud explained as a preamble to his intention to move adjournment of the debate that he wanted to put questions to the chair of the committee who is not here and presumably would stand the matter until the chair was here.

Are you interested in Senator Nolin's comments, Senator Robichaud?

[Translation]

Senator Robichaud: Honourable senators, I am always open to comments by my honourable colleague Senator Nolin. I moved that the debate be stood until tomorrow in the hope that the committee chair would be here, because I want to ask him some questions about why the committee needs to sit. I understand that Senator Nolin may be capable of answering these questions. However, while I am in no way passing judgment on the quality of his answers, I would like the committee chair to explain why he wants authorization for the Standing Senate Committee on National Security and Defence to sit on June 20, 21 and 22, 2005.

On motion of Senator Robichaud, debate adjourned.

# INFLUENCE OF CULTURE

#### INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Léger, calling the attention of the Senate to the importance of artistic creation to a nation's vitality and the priority the federal government should give to culture, as defined by UNESCO, in its departments and other agencies under its authority.—(Honourable Senator Kinsella)

Hon. Joan Fraser: Honourable senators, given who and where we are, we know a number of politicians. Some of us have the additional pleasure of knowing a few actors. In fact, we knew some even before Senator Léger's arrival here. Those who are unkind often say that actors and politicians have a lot in common and do not mean it as a compliment. They have this to say about actors and politicians.

[English]

They say we love the spotlight. We are vain. We love to talk. We love to hear ourselves talk a great deal, frequently without much expertise, but nonetheless with great pleasure. In other words, they do not speak kindly of us.

• (1520)

If any among us thought those things were true about actors, they know differently now because Senator Léger has brought to this fortunate place a new sensibility, a new sensitivity about the arts and, in particular, about actors, acting and the theatre—the performing arts.

Senator Léger has proven false such nasty myths. Few of us have ever met someone of greater natural goodness, warmth, generosity, human wisdom and true beauty. She is beautiful outside of course but inside lies a profoundly beautiful person who has done much for us. I do not think any of us will ever forget the sound of her extraordinary voice speaking poetry to us. When did we ever hear a senator speaking poetry, let alone with such profound art and conviction? Others have spoken of her career outside and inside this place, and I will not take your time to repeat what they have said so eloquently. It is true that she has honoured us by agreeing to sit among us. She has enriched us enormously, and her contribution to this place will last long after she is unfortunately obliged to leave us.

The topic of Senator Léger's inquiry is worthy of serious consideration because it is true that the state has always had a great role to play in support of the arts whether that support came from the king or, in democracies, from the great institution of the state. No worthy artistic community could survive without such support. However, I do not know whether I agree that there should be a full-time Senate committee devoted to the arts, although my hesitation is not about the indisputable importance of the subject that she has brought to our attention. Committees find ways to keep busy. They can meddle. Yet, one thing about the arts, like journalism, is that they do not do well when governments meddle. A fine balance must be struck. Nonetheless,

her suggestion should be considered seriously by this chamber, perhaps as part of a broader examination of our committees. There are many gaps in our committee systems and some overlaps. If we were to rethink the system, I know that the arts would place high on the list of priorities, in large part, though not entirely, in homage to Senator Léger.

[Translation]

Senator Léger, I cannot tell you just how great a privilege it has been to serve the Canadian public in the same chamber as you. You have left us richer. I thank you from the bottom of my heart.

On motion of Senator Losier-Cool, debate adjourned.

[English]

#### WORLD HEALTH ORGANIZATION

MOTION IN SUPPORT OF GOVERNMENT OF TAIWAN REQUEST FOR OBSERVER STATUS ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Di Nino, seconded by the Honourable Senator Stratton:

That the Senate call on the Government of Canada to support the request of the Government of Taiwan to obtain observer status at the World Health Organization.
—(Honourable Senator Rompkey, P.C.)

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I had adjourned debate on this item to give other senators an opportunity to speak to this motion. However, I take silence as consent, which in my opinion is well placed, and so I would encourage honourable senators to support the motion.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to.

# INEQUITIES OF VETERANS INDEPENDENCE PROGRAM

INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Callbeck calling the attention of the Senate to the present inequities of the Veterans Independence Program.—(Honourable Senator Rompkey, P.C.)

Hon. Consiglio Di Nino: Honourable senators, this item will fall off the Order Paper unless someone reactivates the clock. Therefore, I move that debate be adjourned to the next sitting of the Senate for the balance of my time.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.

# EFFICACY OF GOVERNMENT IN IMPLEMENTING KYOTO PROTOCOL

INOUIRY—ORDER STANDS

On Inquiry No. 19:

By the Honourable Senator Andreychuk:

That she will call the attention of the Senate to the failure of the government to address the issue of climate change in a meaningful, effective and timely way and, in particular, to the lack of early government action to attempt to reach the targets set in the Kyoto Protocol.

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I would ask that this item stand because Senator Andreychuk is travelling in Atlantic Canada. The honourable senator will speak to the item upon her return.

The Hon. the Speaker: Honourable senators, is it agreed to re-start the clock?

Hon. Senators: Agreed.

Order stands.

# SEA-DUMPED MUNITIONS AND SEISMIC TESTING

INQUIRY—DEBATE ADJOURNED

Hon. Gerard A. Phalen rose pursuant to notice of June 7, 2005:

That he will call the attention of the Senate to sea-dumped munitions and seismic testing.

He said: Honourable senators may recall that on February 10, 2004, I brought to the attention of the chamber concerns in respect of sea-dumped chemical and conventional munitions. At the time, the Department of National Defence announced a study to assess these dumping sites with the intention that sites that pose a risk to human health or to the environment be addressed as part of a concurrent follow-up project. After a number of requests, I received a copy of the January 2005 report prepared for DND by Neil and Gunter Limited. They conducted detailed research into the 50 sites designated as high risk in order to provide detailed evidence of the potential risks posed; to compile positional information regarding the location of the sites; and to assess all available information and evidence.

• (1530)

It was disturbing to read in this report that the researchers were not given access to restricted files at the National Archives on munitions disposal sites, nor collaboration with the Canadian Hydrographic Service on munitions disposal sites. It was equally upsetting to read that despite not being given access to all available information, the researchers were nevertheless still able to identify 50 sites.

The sites were classified in three categories: munitions disposal sites, shipwrecks and submarines. Five categories were considered in the risk assessment of these sites. They were: proximity to population, accessibility, quantity of ordnance, type of ordnance and the risk to the environment. Based on these five categories, 11 sites were ranking in the highest risk category; 17 sites were ranked in the average risk category; and 20 sites were ranked in the lower risk category.

Although time does not permit me to go into a detailed description of all of these sites, I would like to bring to the attention of honourable senators a few of the worst. The site rated as the most dangerous by this report was the Bedford Basin. The report states, regarding the Bedford Basin, that "the issues of proximity to population and quantity and type of ordnance indicate a potential high risk condition."

The report further states:

The shoreline and waters around Bedford Basin have seen a rapid increase in development and recreational boating in recent years which increases concern for accidental disturbance of unexploded ordnance.

I am sure senators all remember the newspaper reports of munitions that washed ashore after last year's Hurricane Juan.

Another of the highest ranked sites is the Sydney bomb disposal site. The report states that "the coordinates for the site put it in relatively shallow water, which increases the potential risk of accidental disturbance."

The third site listed in the highest risk category that I would like to bring to the attention of honourable senators is the Sydney disposal site. This area was a designated munitions disposal site at the end of the Second World War to get rid of ammunition from Sydney and from vessels that were directed to Sydney from overseas.

It is important to understand the dangers posed by these highest risk sites. Perhaps the best way to explain their danger is to compare them to what are classified as sites with below average risk. One such below average risk site is the chemical/biological disposal area south of Sable Island. This site is reported to contain approximately 11,000 drums of mustard gas. If a site containing 11,000 drums of mustard gas is a below average risk, then the highest risk sites are surely dangerous beyond all imagination.

Mustard gas, when exposed to seawater, forms a thick outer crust over an inner core, allowing it to be brought to the surface where it can injure fishermen who end up hauling up these crusts of toxic material in their nets. Is our fishermen's future going to

be similar to that of the Danish fishermen who, in 2003, reported 25 catches of mustard gas lumps, amounting to 1,110 kilograms of these dangerous gas lumps unknowingly hauled onto fishing vessels? If so, protection for our fishermen should be a priority. Perhaps we should follow the lead of the Danes, who have put in place a program to decontaminate fishing vessels that haul up mustard gas, as well as compensate these fishermen for their contaminated catches.

As I said in my earlier speech, NATO has said:

Although the risk of sea-dumped munitions does not meet the eye, the corrosion of the shells and rounds which were dumped five decades ago is progressing fast now. It is feared that major quantities of chemical agents will leak into the sea by 2005. Beyond the immediate impact of a further depletion of the world's endangered fish stocks, poisonous agents will enter the food chain via plankton. Toxic effects with possible genetic consequences would not be confined to the countries of the region, but might become a worldwide concern.

It is also important to restate what Dr. Jennifer Mokos told the Standing Senate Committee on Fisheries and Oceans on June 3, 2003.

If a dump site is disturbed enough to cause some sort of release, it could decrease the fish stock by approximately 70 per cent. This is just an example of what some of the outcomes could be.

Honourable senators, as if the dangers posed by these unexploded munitions deteriorating over the past 60 years was not enough, we now have to add to the mix the threat posed by oil and gas exploration in these areas. The Neil and Gunter report states that the Sydney disposal site "is located in an area of interest for petroleum exploration. The water depths at the site are well within the capacity for oil exploration operations."

Honourable senators, let me make it clear from the outset that I am not against seismic testing for oil and gas exploration. Present exploration commitments off shore from Nova Scotia total approximately \$1.56 billion on 57 licence blocks over an area of 7.8 million hectares. During the past two years, approximately 10 wildcat wells were drilled on these blocks with a total investment of more than \$485 million. The economic benefits of the oil and gas sector to the economy in Nova Scotia are clear, but proper scientific review needs to be done to ensure the future of oil and gas development and, equally important, the future of the East Coast ocean industries, which accounts for \$6.76 billion of the gross domestic product.

Much has been said in the media over the last couple of years regarding the potential impact of seismic testing on the marine environment. It is important to understand exactly what modernday seismic testing is. I am sure senators all remember the Second World War movies when submarines were located by sonar equipment sending down sound waves that bounced back off the hulls of the submarines. The theory is the same, but the modernday technology is immensely different. Today's seismic testing is

performed by ships deploying up to 30 airguns towed at a depth of five to seven metres below the sea's surface. The airguns eject high-pressure air bubbles every 10 to 12 seconds into the water and the resultant pressure wave is used as the sound source. The sound is focused downward through the sea bed and bounces off the layers of various rock types back to the surface where hydrophones located on 6,000-metre-long cables record their arrival times, which are used to determine the geological formations.

According to information published by Hunt Oil, one of the companies involved in exploration off the coast of Canada, the sound in a radius of five metres from the airguns is at the level of 260 decibels, which is considered lethal. Up to 2,000 metres away, the sound is still at the 190-decibel level, which they consider to have possible physical effects on marine life.

I think it is important for us understand the effects of 260 decibels. The human threshold of pain is a mere 130 decibels. At 160 decibels, human eardrums perforate. According to Dalhousie University Professor Martin Willison, 200 decibels vaporizes fish into tiny particles. As Professor Willison said, 200 decibels is "just way, way beyond the word loud."

An article in the BBC News World Edition quoted Dr. Paul Jepson of the Zoological Society of London, who studied a mass beaching of whales in the Canary Islands following a military sonar exercise. Dr. Jepson said:

There is a very good correlation between the naval sonar and the mass strandings.

The article goes on to say that the noxious boom of sonar causes the terrified animals to flee to the surface, triggering an acute form of the bends. Dr. Jepson studied the dead whales and found that they had bubbles in their tissues that were consistent with severe decompression sickness, or the bends.

• (1540)

Thankfully, the new Statement of Canadian Practice on the Mitigation of Seismic Noise in the Marine Environment, which was released for comment on February 19, 2005, states that enough is known about the spawning and migration patterns of fish in the Canadian environment that reasonable efforts can be made to plan to avoid situations of highest concern, such as avoiding critical local areas where species aggregate to spawn, as well as avoiding peak spawning periods.

A procedure called "ramping up" is now being used. This procedure involves slowly increasing the decibel level of the sound used in seismic testing to frighten the fish into leaving the area before dangerous levels of sound are employed.

Unfortunately, in this statement of Canadian practice, one of the general conclusions derived from the science review was that for invertebrates, such as snow crab, the biological and ecological effects of marine seismic sound are expected to be low, unknown or not fully understood. This conclusion would be seem to be in disagreement with the findings of the study on snow crab by the Department of Fisheries and Oceans released in December of last year. That study found hemorrhaging and membrane detachment in crabs' ovaries, as well as significant damage to their livers.

As well, concerning marine animals, the statement of Canadian practice states:

All programs to acquire seismic data in the Canadian marine environment shall establish:

a. a safety zone of 500 metres from the centre of the seismic source array or arrays; and

b. when the safety zone is visible, conduct regular ongoing visual monitoring of the safety zone...

Unfortunately, this Statement of Canadian Practice on the Mitigation of Seismic Noise in the Marine Environment does not mandate any mitigation measures. For example, the statement says:

All programs to acquire seismic data should be planned to avoid:

a. death, harm, or harassment of individuals of marine mammals and sea turtles...; and

b. population-level effects for all other marine species.

It seems to me that such a statement ought to take a clearer approach, and state that seismic activity shall follow mandated mitigation measures.

Perhaps we should take our lead on this issue from the November 2004 resolution of the 16 member states of the Agreement for the Conservation of Marine Mammals in the Black Sea, Mediterranean Sea and adjoining Atlantic area, which called for "extreme caution" in conducting activities that produce intense underwater noise.

My other concern about the Statement of Canadian Practice on the Mitigation of Seismic Noise in the Marine Environment is that it does not make any mention of sea-dumped unexploded munitions. In fact, the Department of National Defence does not appear to be involved at all in this effort.

Munitions, by their very nature, are sensitive to shock. All explosives are shock sensitive and therefore can be exploded by mechanical shock, such as that created from an energy pulse. Initiating explosives such as lead azide and mercury fulminate are detonated by mild shock, such as the tap of a pencil. Other explosives, such as TNT, require a sledgehammer blow to set them off. The question that needs to be asked is, after 60 years on the ocean floor, how deteriorated are the casings of these munitions, and what will the pulses from powerful seismic testing guns do to these explosives?

Although some experts believe there is a low likelihood of seismic activity affecting old munitions, I believe we need to err on the side of caution. The Department of National Defence, in their presentation to the Ad Hoc Working Group of the Nova Scotia Offshore Petroleum Board, indicated that seismic testing over munitions was an additional risk at some level. The Neil and Gunter report to DND on the munitions dump sites included two risk categories based on oil and gas explorations.

Honourable senators, I believe we need to strengthen the measures in the statements of Canadian practice and to bring the Department of National Defence into the process to ensure that the statement deals with known ocean-dumped munitions. I hope you will join me in encouraging the government in both of these areas.

Honourable senators, we also need to ensure that the cleanup of munition sites continues and that further cleanups of the sites are adequately funded by experts in the field of munitions disposal. You may have seen the article in the Ottawa Citizen on May 30 reporting on the cleanup of the HMS Raleigh off the coast of Labrador. I commend DND on this continuing cleanup, but I also wish to point out that since the Raleigh was sunk, there have been four residents killed as a result of these munitions, and that, honourable senators, is four too many.

Hon. Gerald J. Comeau: Would the Honourable Senator Phalen accept a question on his presentation?

The Hon. the Speaker: Before we could do that, I must advise Senator Phalen that his time has expired. Are you requesting leave?

Senator Phalen is asking for leave for additional time. Is leave granted?

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I believe the normal time is five minutes.

Senator Comeau: I would like to congratulate Senator Phalen for bringing up an extremely important subject, the danger of seismic testing, and tying it to the issue of undersea munitions dump sites. He has vividly illustrated the danger of the two, the impact this might have not only on fisheries but also on the safety of fishermen and the extreme danger this could pose in many areas.

Is the honourable senator aware of any contingency plans the government may have in place to tackle a major disruption of one of these sites over the long term? I know there has been some suggestion that it is better to let these munitions lie as they are, and to avoid disturbing them because they are so badly corroded. Is the honourable senator aware of whether there are any plans to identify the sites, and to prepare some kind of contingency plan to handle this?

As well, is the honourable senator aware of whether the Department of National Defence, given that some of the sailors who were involved in the disposal of these munitions, mustard gas and so on, has used the expertise and the memory of some of these sailors to identify the sites? As time progresses, these sites may not all be known. The honourable senator has identified a number of sites, but might there be others as well?

I pose two questions: Might there be other sites, and is there any kind of contingency plan to mitigate those munitions dumping sites?

Senator Phalen: In response to the Honourable Senator Comeau's question with respect to the sites, the Neil and Gunter people who studied this problem were not given access to all the sites. Other sites exist; there is no question about that. The Department of National Defence has them listed as secret.

In respect to mustard gas, they have classified that as an average risk, not as a high risk. I have talked to fishermen during the course of this study, and they give the site I mentioned at Sable Island, a wide berth. That is the only safety precaution I am aware of, with respect to that site. The government has said nothing to indicate that they have given any priority to that.

Hon. Eymard G. Corbin: Honourable senators, I rise on a point of order. When an extension of time was requested to allow Senator Phalen to receive a question from Senator Comeau, I saw my leader rise in his place, raise his hand, look at the deputy leader on the other side and say something along the lines of, "the usual five minutes."

• (1550)

This is becoming more than a practice. It is becoming a tradition or almost a convention. This Order Paper item is basically a senator's private matter or interest under the title of "Inquiry." There has been a practice between the leadership of taking matters under their control and imposing limits on speaking time. Surely this is not government business, per se. These are matters of private concern to those senators who raise important issues. I feel that the issue, once heard, becomes a matter of interest for all senators, including so-called — I know this is not an expression used very often in the Senate — backbench senators. I sit on the back bench because that is where I prefer to sit in this place.

I am not asking the Speaker to make a ruling on this matter, but I wish to serve notice that I will continue to question this practice in the future. I am giving it serious thought because it is not for the leadership to impose limits that have the effect of limiting debate and very useful exchanges among senators in this place, especially on private initiatives. I fully sympathize with the leadership on both sides. There have been instances in this place where the extension of time has been abused and abused badly, perhaps with a purpose in mind.

Previous to this practice being agreed to, debates have gone beyond what I would call reasonable limits, which is a concern for all senators. Matters of detail are properly dealt with at the committee stage, if the house so decides to refer matters to a committee. Initial debate or second reading should deal with matters of general principle, not detail.

I am observing closely what is going on. I do not necessarily belong to an old boy's club or whatever one wants to call it. I consider myself a solitary senator in this place. I have my own views. I have been around a long time and have experienced this practice in other times.

When I was an elected member in the other place, the practice for private member's business was that the leadership did not intervene. We should honour that practice in the future in order to have fruitful and useful exchanges. Senator Phalen has raised this matter before; Senator Comeau has asked questions on this matter before; I also have questions regarding this whole conundrum. I would save questions for the committee stage, if the Senate referred the matter to a committee.

Honourable senators, I am voicing my concern about this practice now, and I reserve the right to intervene again in the future.

The Hon. the Speaker: Senator Corbin did not ask for a ruling. He was intervening on the matter. To preserve his time to speak later, perhaps adjourning the item might be the best way to deal with it; otherwise, I am inclined to regard the comments as an intervention. With leave, I can regard his intervention as a point of information or a notice of a point of order that may go to Senator Rompkey for adjournment, which would preserve Senator Corbin's right to speak.

Senator Corbin: Perhaps I did not make myself clear. I thought I was rising on a point of order. I should like to adjourn my point of order to a later date.

Senator Stratton: Motion for adjournment. This is not debatable.

The Hon. the Speaker: A request for a ruling has not been made. Therefore, I cannot regard this as a point of order. If it were a point of order, I would want to dispose of it in terms of interventions on the point today.

Senator Rompkey: I agree, in principle, that the leadership on either side should not have anything to do with private members' bills, and we do not wish to. There is no compulsion or desire or intention of the leadership on either side to interfere with private members' bills. The chamber should deal with them, and we understand that procedure. However, in the past, my experience is — and Senator Corbin made this point — that if debate is allowed to continue, there is no termination. It could go on for days. No one has the authority or right to stop it. Someone in the chamber, somehow, has to put some reasonable limits on the time for debate.

Experience has shown us that a mutually-agreed time works best. Senator Phalen did not ask me to adjourn the debate, but I did rise to do so because I assumed other senators wished to

contribute to the debate. I simply wanted to keep this inquiry on the Order Paper. We do have the authority to order the work of the chamber in general so that it is dealt with fairly and expeditiously. The matter of flexibility is the reason we agreed to five minutes, although it could be three or five or six minutes. Someone in the chamber has to take responsibility at some point and put a limit on debate, and Senator Corbin made that very point himself. I do not know who it would be other than the Speaker, if not the leadership. I wish to assure honourable senators that I have absolutely no desire to interfere in private members' bills, but I should like to see them debated in an open, fair and complete manner.

The Hon. the Speaker: Perhaps this should be put under the rubric of "house business." I do not want to leave this as it is because I believe Senators Corbin, Rompkey, and Stratton may wish to speak to this inquiry. The difficulty is by what means I recognize them on this occasion. I have done everything I can to allow senators to speak.

• (1600)

This is not a point of order because no request for a ruling has been made. It has to do with the practice of senators conditionally granting additional time, which we deal with under the rubric of "house business." Therefore, for clarification of the record, I will regard these interventions under that rubric.

Hon. Terry Stratton (Deputy Leader of the Opposition): In the time that I have been here, it has been my experience that if no control is imposed debate can continue for an extensive period of time. It is a device not to limit debate but to limit the time involved, recognizing that there is a 15-minute time limit for a speech.

Last week or the week before, an extension was requested and the debate continued well beyond the five minutes normally granted. It was not limited, and that depends on the issue. The understanding is meant to prevent matters from getting out of hand. Our side does not want to limit debate either. However, we do want control over what takes place in the chamber, and I think that is a logical way of approaching the matter. Senator Robichaud was the originator of this methodology, and I think it works extremely well.

On motion of Senator Rompkey, debate adjourned.

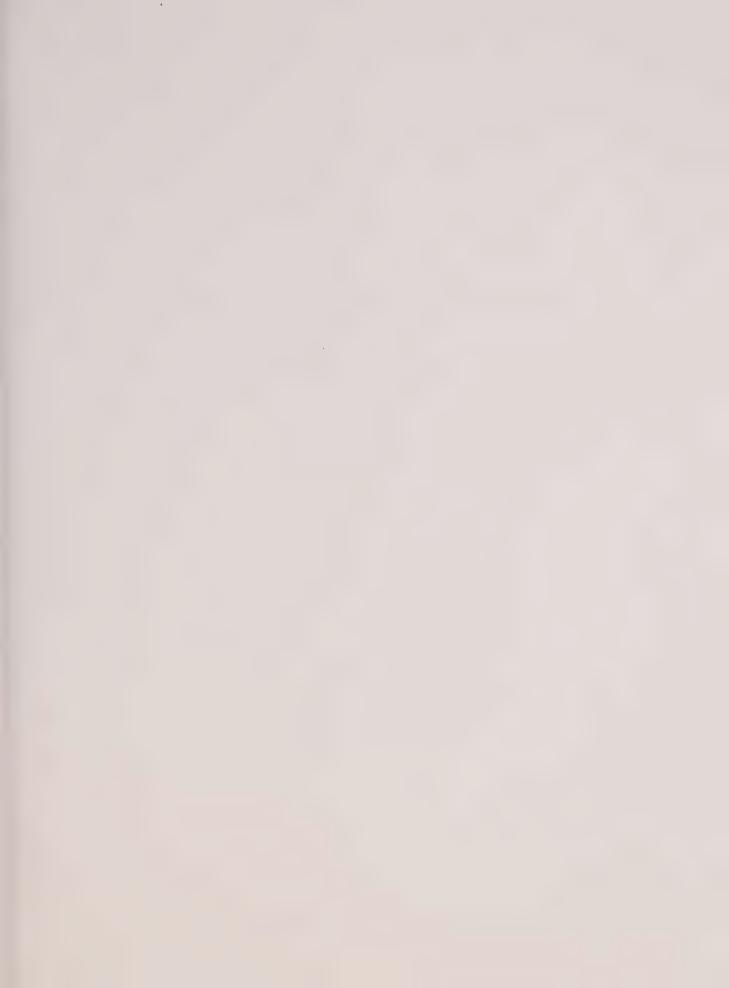
The Senate adjourned until Thursday, June 16, 2005, at 1:30 p.m.

# CONTENTS

# Wednesday, June 15, 2005

PAGE	PAGE
Visitors in the Gallery	National Defence
The Hon. the Speaker	Gagetown—Testing of Agent Orange and Agent Purple.
	Hon. Michael A. Meighen
	Hon. Jack Austin
SENATORS' STATEMENTS	
	House of Commons
	Ethics Commissioner—Report on Member for York West.
World Blood Donor Day	Hon. Marjory LeBreton
Hon. Terry M. Mercer	Ethics Commissioner—Hiring of Law Firms.
The Honourable Viola Léger, O.C.	Hon. Marjory LeBreton
Fribute on Retirement.	Hon. Jack Austin
Hon. Joyce Fairbairn	
	Canada-United States Relations
The Late Scott Young	Proposal to Vet Canadian Airline Passenger Lists
Hon. Francis William Mahovlich	of Domestic Overflights.
The Late Andy Russell, O.C.	Hon. David Tkachuk
Hon. Tommy Banks	Hon. Jack Austin
14/1	Delayed Answer to Oral Question
	Hon. Bill Rompkey
	22011 2011 Pacy
ROUTINE PROCEEDINGS	Justice
	Access to Information Act—Legislation to Amend
	Question by Senator LeBreton.
he Senate	Hon. Bill Rompkey (Delayed Answer)
Notice of Motion to Establish New Numbering System for Senate Bills.	Designation of the Co.
Ion. Bill Rompkey	Business of the Senate
14/1	Hon. Jerahmiel S. Grafstein
ppropriation Bill No. 2 2005-06 (Bill C-58)	
irst Reading	
Sanking, Trade and Commerce	ORDERS OF THE DAY
lotice of Motion to Authorize Committee to Extend Date	
of Final Report on Study of Issues Dealing with	
Demographic Change.	National Defence Act
Ion. Jerahmiel S. Grafstein	Criminal Code
Notice of Motion to Authorize Committee to Extend Date	Sex Offender Information Registration Act Criminal Records Act (Bill S-39)
of Final Report on Study of Issues Dealing with Interprovincial Barriers to Trade.	Bill to Amend—Second Reading.
Ion. Jerahmiel S. Grafstein	Hon. Pierre Claude Nolin
otice of Motion to Authorize Committee to Extend Date	Referred to Committee
of Final Report on Study of Consumer Issues Arising in Financial	
Services Sector.	Spirit Drinks Trade Bill (Bill S-38)
on. Jerahmiel S. Grafstein	Second Reading.
he Senate	Hon. James F. Kelleher
otice of Motion to Strike Special Committee On Gap Between	Referred to Committee
Regional and Urban Canada.	Criminal Code
on. Marie-P. Poulin	Cultural Property Export and Import Act (Bill S-37)
tate of International Health Services	Bill to Amend—Second Reading.
otice of Inquiry.	Hon. Janis G. Johnson
on. Wilbert J. Keon	Hon. Serge Joyal
1473	Referred to Committee
ALECTRON ON THE STATE OF THE ST	National Security and Defence
PUESTION PERIOD	Budget—Report of Committee on Study of Veterans' Services
	and Benefits, Commemorative Activities and Charter Adopted.  Hon. Michael A. Meighen
formation Commissioner	Tion. Wiender A. Wieigheit
cceptability of Reports.	Scrutiny of Regulations
on. Noël A. Kinsella	Second Report of Joint Committee Deemed Adopted.
on. Jack Austin	Hon. Bill Rompkey
tiension of Term.	Hon. John G. Bryden
on. Noël A. Kinsella	Hon. Jack Austin
on. Jack Austin	Hon. Tommy Banks

PAGE	PAGE
National Security and Defence Motion to Authorize Committee to Meet During Sitting of the Senate—Debate Adjourned. Hon. Pierre Claude Nolin	Inequities of Veterans Independence Program Inquiry—Debate Continued. Hon. Consiglio Di Nino
Influence of Culture	Tion. Tony Stratton
Inquiry—Debate Continued.	Sea-dumped Munitions and Seismic Testing
Hon. Joan Fraser	Inquiry—Debate Adjourned.
World Health Organization  Motion in Support of Government of Taiwan Request for Observer  Status Adopted.  Hon, Bill Rompkey	Hon. Gerard A. Phalen.       1484         Hon. Gerald J. Comeau       1487         Hon. Bill Rompkey       1487         Hon. Eymard G. Corbin       1487         Hon. Terry Stratton       1488









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Thursday, June 16, 2005

THE HONOURABLE DANIEL HAYS SPEAKER

#### **CONTENTS**

(Daily index of proceedings appears at back of this issue).

Debates and Publications: Chambers Building, Room 943, Tel. 996-0193

#### THE SENATE

Thursday, June 16, 2005

The Senate met at 1:30 p.m., the Speaker in the chair.

Prayers.

[Translation]

#### VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, before we go to Senators' Statements, I wish to draw to your attention the presence in our gallery of a group of students from the seventh and eighth grades of l'Ecole Saint-Joachim, who have come from La Broquerie, in Manitoba. As a result of activities organized by the teachers of these two classes, the students were able to raise enough money to visit the National Capital and to learn more about our Parliament and its surroundings. They are the guests of the Honourable Senator Chaput.

On behalf of all honourable senators, I welcome you to the Senate of Canada.

[English]

#### SENATORS' STATEMENTS

#### **NOVA SCOTIA**

LUNENBURG—RESTORATION OF ST. JOHN'S ANGLICAN CHURCH

Hon. Wilfred P. Moore: Honourable senators, on November 6, 2001, I told this chamber about the fire that ravaged historic St. John's Anglican Church in Lunenburg, Nova Scotia, five days earlier. At that time I stated:

We are prayerful that St. John's will rise again. We are confident that her parishioners harbour the will and can harvest the resources from across Canada to build a replica around those surviving pieces of worship.

Honourable senators, I am delighted to report that St. John's has been faithfully restored to its pre-fire beauty. The first service was held in this national historic site this past Sunday at 3 p.m. It was attended by an overflow congregation of parishioners, townsfolk and visitors, all of whom were warmly welcomed by Bishop Fred Hiltz and Reverend Michael Mitchell. At the beginning of the service, the altar was carried into the church and returned to its rightful place by the same six firemen who rescued it from the fire.

This was a most heart-warming event. All marvelled at the detail of the superb work of the craftsmen, tradesmen, shipwrights and artisans. This historic event could not have been realized without the assistance of the Government of

Canada, the Province of Nova Scotia, and the Town of Lunenburg, generous friends from across Canada and without, and the devout parishioners of St. John's. We are most appreciative of that support. We are truly grateful for the work of the reconstruction team; all the volunteers, in particular the efforts of the volunteers who led the management of this project; those who led the raising of the funds necessary for this \$6.7 million labour of love; and the leadership of the church wardens. Last, but not least, we thank the tireless women, men and youth of the parish and of the neighbouring parishes, who dug through the ashes to recover remnants to be included in the restoration. Congratulations to one and all. In closing, I urge honourable senators to tour this place of worship during your next visit to Lunenburg.

[Translation]

#### **MANITOBA**

#### FRANCO-MANITOBAN SCHOOL DIVISION

Hon. Maria Chaput: Honourable senators, today, I would like to speak to you briefly about the Franco-Manitoban School Division, our DSFM. It was created by an act of the Manitoba legislature in July 1993, and the members of the first school board were sworn into office in November of the same year. Today, the DSFM operates 23 schools.

Since its beginnings, the school district's goal has been to provide students with a quality education in French, through its programs and services, and the working environment it offers. The DSFM also endeavours to deliver a dynamic cultural program in a French environment, in order to develop within the students a greater awareness of their cultural and linguistic heritage.

To this end, DSFM tries to integrate, in the classrooms and in school activities, the reality of Franco-Manitoban life and to ensure a community dimension in each of its schools.

Today, I am proud to pay tribute to all those people who are dedicated to the education and development of our children and grandchildren as Canadians who are proud of their cultural and linguistic heritage, and who are ready to make a commitment to their community, our society and the world.

The reason I am speaking about this francophone school division today is because this morning I had the pleasure of welcoming and talking with a group of students from the seventh and eighth grades of l'Ecole Saint-Joachim, in La Broquerie, a francophone farming community in the heart of southeast Manitoba. Founded in 1883, La Broquerie used to be deeply involved in the dairy industry. Today, it is a modern community marked by a spirit of cooperation and respect for French-Canadian heritage and culture.

The students of La Broquerie are among the 4,500 children who benefit from an education in French provided by the DSFM to students in our province. La Broquerie is also the place where Franco-Manitobans celebrate the Saint-Jean-Baptiste each year.

I would also like to speak to you about another French school in Manitoba, this one in a remote area. It is l'École Jours de Plaine, in Laurier, another farming community, southwest of Winnipeg, where I will be going next Friday. On June 24, Brigitte Maguet, a twelfth-grade student at this school, will receive a millennium excellence award from the Canada Millennium Scholarship Foundation. It will be my pleasure to present that award to this young Franco-Manitoban, who has been able to do her schooling in French because of the cooperation of numerous partners, including the federal and provincial governments and the francophone community of Laurier, well known for its 10-year fight to obtain a French school in the region.

Honourable senators, in closing, I take pride in paying tribute to the great achievements of all the dedicated people working in education whose motto is "Learning and growing together."

• (1340)

[English]

#### **ROUTINE PROCEEDINGS**

#### EXPORT AND IMPORT OF ROUGH DIAMONDS ACT

BILL TO AMEND—REPORT OF COMMITTEE

Hon. Tommy Banks, Chair of the Standing Senate Committee on Energy, the Environment and Natural Resources, presented the following report:

Thursday, June 16, 2005

The Standing Senate Committee on Energy, the Environment and Natural Resources has the honour to present its

#### NINTH REPORT

Your Committee, to which was referred Bill S-36, An Act to amend the Export and Import of Rough Diamonds Act, has in obedience to the Order of Reference of Thursday, June 9, 2005, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

#### TOMMY BANKS Chair

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Banks, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

[Translation]

#### ECONOMIC DEVELOPMENT AGENCY OF CANADA FOR THE REGIONS OF QUEBEC BILL

#### REPORT OF COMMITTEE

Hon. Joseph A. Day, Deputy Chair of the Standing Senate Committee on National Finance, presented the following report:

Thursday, June 16, 2005

The Standing Senate Committee on National Finance has the honour to present its

#### FOURTEENTH REPORT

Your Committee, to which was referred Bill C-9, An Act to establish the Economic Development Agency of Canada for the Regions of Quebec has in obedience to the Order of Reference of Wednesday, June 8, 2005, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

#### JOSEPH A. DAY Deputy chair

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Day, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

#### HIGHWAY 30 COMPLETION BRIDGES BILL

#### REPORT OF COMMITTEE

Hon. Joan Fraser, Chair of the Standing Senate Committee on Transport and Communications, presented the following report:

Thursday, June 16, 2005

The Standing Senate Committee on Transport and Communications has the honour to present its

#### EIGHTH REPORT

Your Committee, to which was referred Bill S-31, An Act to authorize the construction and maintenance of a bridge over the St. Lawrence River and a bridge over the Beauharnois Canal for the purpose of completing Highway 30 has, in obedience to the Order of Reference of Tuesday, June 7, 2005, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

JOAN FRASER Chair The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator De Bané, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

#### LABRADOR INUIT LAND CLAIMS AGREEMENT BILL

#### FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-56, to give effect to the Labrador Inuit Land Claims Agreement and the Labrador Inuit Tax Treatment Agreement.

Bill read first time.

**The Hon. the Speaker:** Honourable senators, when shall this bill be read the second time?

On motion of Senator Rompkey, bill placed on the Orders of the Day for second reading two days hence.

#### **EXCISE TAX ACT**

#### BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-259, to amend the Excise Tax Act (elimination of excise tax on jewellery).

Bill read first time.

The Hon. the Speaker: Honourable senators, when shall this bill be read the second time?

On motion of Senator Di Nino, bill placed on the Orders of the Day for second reading two days hence.

[English]

#### **QUESTION PERIOD**

#### NATURAL RESOURCES

NEW BRUNSWICK— REFURBISHING OF POINT LEPREAU NUCLEAR POWER PLANT

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, in my role as a senator from the province of New Brunswick I would like to ask the Leader of the Government in the Senate a few questions about the refurbishment needs of the Point Lepreau nuclear power plant. It is my understanding that discussions are ongoing among the federal authorities, the provincial authorities and the utility officials. Yesterday, a decision was made in the province of Ontario to keep a coal-fired generating plant operating for a further period of time. It is recognized that coal-fired generators are less friendly to the environment than nuclear plants.

Can the minister tell us how the federal government is progressing in its efforts with regard to the refurbishment of Point Lepreau, given the level of priority that we in New Brunswick think should be given by both levels of government?

Hon. Jack Austin (Leader of the Government): Honourable senators, I thank Senator Kinsella for his question. It is quite understandable that, as a senator from New Brunswick, he has an interest in the Point Lepreau nuclear plant and the negotiations on its refurbishment. Unfortunately, I cannot report on those negotiations which are continuing, and it would not be advantageous to any of the parties if I were to do so.

(1350)

**Senator Kinsella:** I would like to thank the Leader of the Government for that response. I appreciate what he has said.

The fact that I have raised the matter on the record today perhaps might suffice to allow him to make a representation to his colleagues that there is great interest in that project among my colleagues on both sides of the house.

**Senator Austin:** I will be happy to draw to the attention of Minister Efford the representations made.

#### FISHERIES AND OCEANS

#### AQUACULTURE-IMPACT ON WILD SALMON

Hon. Michael A. Meighen: Honourable senators, the Department of Fisheries and Oceans has, for many years, struggled to reconcile its mandate, both to promote aquaculture development on the one hand, and on the other hand, to protect wild fish stocks and habitat. Five years ago, the Auditor General concluded that the DFO was not fully meeting its legislative obligations under the Fisheries Act to protect wild salmon stocks and habitat from the effects of salmon farming. The report went on to recommend, among other things, that the department act immediately to strengthen its monitoring and enforcement capabilities for salmon farming operations.

Honourable senators, the consequences of this contradictory mandate have once again come to the fore. Last month, two prominent international environmental organizations, the Atlantic Salmon Federation and the World Wildlife Fund, released their second progress report that was independently prepared by a distinguished international scientist. The report evaluated the efforts of six countries — Canada, Iceland, Ireland, Norway, Scotland and the United States — to minimize the impacts of aquaculture on wild Atlantic salmon. The results for Canada are nothing short of a national embarrassment.

Since the first report was released in 2003, all the countries except for Canada have made dramatic improvements in minimizing the impacts of aquaculture on wild salmon. In fact, Canada is the only nation whose score went from a very poor 2.85 out of 10, in 2003, to only 2.1 this year.

In view of these troubling findings, will the Leader of the Government in the Senate take up this matter with his colleague the Minister of Fisheries and Oceans to determine what specific steps the Department of Fisheries and Oceans will now take to improve our poor record of protecting wild salmon from the effects of aquaculture?

Hon. Jack Austin (Leader of the Government): Honourable senators, this question also touches me closely, being a senator from British Columbia, and the subject is of great moment and activity.

I will answer the question as best I can in the following way: Aquaculture on both coasts is under the jurisdiction of the province. This is a business that is conducted, yes, in the water, but it is conducted in waters that are within provincial and territorial limits. It is correct, however, that it is a shared jurisdiction in that concern for the wild salmon fishery is the responsibility of the federal government. Therefore we have a cross-current, if you like, in the management of this industry, and federal-provincial cooperation is required to deal with both aspects.

Dealing with the Atlantic situation briefly, the Atlantic aquaculture industry has had a substantial loss in the last two years. The temperature of the water and other reasons have caused a serious diminishment in aquaculture yields. That industry is in considerable economic distress at this moment.

I advise the house of this matter to say that the federal government and the provincial governments are in discussions with respect to the well-being of the Atlantic aquaculture industry. Those discussions flow into the question of the impact of current management techniques, including escape problems by farming methods in aquaculture; the way in which toxic materials are used for the prevention of the growth of various sea lice; and indeed the problem of anaemia that is now occurring in farmed fish.

Yes, honourable senators, there is problem in our industry, and yes, we have not met standards that we should meet. A great deal is being done to try and address the problem.

Senator Meighen: Honourable senators, I am heartened by the obviously detailed knowledge that the Leader of the Government in the Senate has on this question. I wish he could communicate the urgency that he obviously feels to his colleague. He mentioned the serious state of the aquaculture industry. Not only has the aquaculture industry serious problems, but the wild Atlantic salmon and the related recreational fishery also have problems. One must never underestimate the economic impact of the recreational salmon fishery and the jobs that are provided in areas where there are little or no other opportunities for employment.

Other countries seem to be doing a better job — if we believe this independent survey — of reconciling and harmonizing the two industries. Therefore, I urge the leader to make his representations in the most forceful way possible to his colleague to ensure that meaningful discussions between the

DFO and the provincial authorities take place. If those discussions do not happen, we will have neither an aquaculture industry nor a recreational salmon fishery, and that would be a disaster for the East Coast and the West Coast.

Senator Austin: Honourable senators, I believe there is a question in Senator Meighen's statement. Therefore, I will say that I concur with him with respect to the urgency of the matter. I am paying a great deal of attention, personally, to fisheries issues in Canada. I know our own committee, headed by Senator Comeau, has had interesting things to say about the Pacific Coast industry; wild and aquaculture. The exchange of questions and answers here will be drawn to the attention of the Honourable Geoff Regan.

While I am on this subject, however, I would like to point out to the chamber that the Minister of Fisheries and Oceans, the Honourable Geoff Regan, announced today, with respect to the Fraser River salmon, a set of expenditures and programs to enhance enforcement, implement new catch monitoring programs and improve scientific research. Our own committee, the Standing Senate Committee on Fisheries and Oceans, has recently commented on the Fraser salmon industry, which is, of course, a wild salmon industry. The committee has also commented on fisheries policies with respect to other aspects, particularly economic aspects on the Pacific coast. The subject is an important one, and I am happy that our own committee is well engaged in the topic.

#### DISAPPEARANCE OF SALMON SPECIES IN UPPER BAY OF FUNDY

Hon. Gerald J. Comeau: Honourable senators, my question is a follow-up, and a related question.

First, I appreciate the minister's ongoing interest in issues related to the fishery. I know he feels deeply about it, so that is why I did not want to miss this opportunity to piggyback, and relate Senator Meighen's issue to a more provincial issue, which is the state of the upper Bay of Fundy salmon runs. Over the last number of years, we have seen salmon species disappearing, with no ability to ever replenish certain species in some of these rivers, of which Senator Meighen is aware.

• (1400)

My question is quite specific to the upper Bay of Fundy. Perhaps the government leader would inquire of Minister Regan, while he is looking at the broader issues, as to whether any attention can be placed on the upper Bay of Fundy salmon rivers and what we could do to slow down the disappearance of these historical species that we may lose completely.

Hon. Jack Austin (Leader of the Government): I thank the Honourable Senator Comeau. I will certainly do so.

One of the problems I continuously point out to whatever fisheries minister we may have is the lack of aggressive science work in this area.

On the Pacific Coast and in the Fraser River one of our most interesting and difficult problems is that a number of different salmon species swim together, but they migrate to different

breeding areas. Some of those species, like the Cultus Lake salmon, are threatened now. Yet, bringing in species-at-risk type measures would almost undermine the commercial and the Aboriginal part of the fishery because other species are sufficient in number, and they want access to those. To deny them for 47 or 147 fish seems to them to be quite unreasonable.

This area of fisheries policy is not an easy one. It is intriguing. I would like to repeat that the Standing Committee on Fisheries and Oceans plays an important part in our regional representation role.

#### PUBLIC SAFETY AND EMERGENCY PREPAREDNESS

#### FIREARMS CENTRE—COST OF GUN REGISTRY

Hon. David Tkachuk: Hill & Knowlton have completed a financial report for the Treasury Board that was revealed to Mr. Garry Breitkreuz after Access to Information Act requests. Parts of it are quoted in the *Calgary Sun* in an article on the gun registry:

Costs for the controversial gun registry program could continue to "spiral out of control" unless the federal government takes critical steps to curb spending.

The article goes on to say:

Recommendations include establishing centralized decisionmaking with a firm eye on the impact of cost, complexity, and program deliverability.

The document is filled with blocked out and blacked out information on the study.

Can the Leader of the Government in the Senate tell us what the government is trying to hide from Canadians in the censored areas of this document regarding this utterly botched program? Can he obtain this document and table it in the Senate, where it will be available for all of us to see so we, as legislators, can take action on it; or will the cover-up about what is going on in the gun registry continue?

Hon. Jack Austin (Leader of the Government): Honourable senators, I am not aware of the report. To the extent that the access to information law has required a disclosure, I am sure the government has complied fully with that law in tabling this report or making it available publicly.

I would point out to Senator Tkachuk that portions of Bill C-43, the budget bill, deal with funding the gun control problem. Perhaps he could enlighten us further in a debate at that time.

Senator Tkachuk: It is very difficult to enlighten the Senate further. I am sure the law itself is being followed but certainly not the spirit of the freedom of information law. The government is hiding information on the registry that we would like to see tabled in the Senate so we can examine it.

We do know that at first the gun registry was supposed to cost \$2 million; then it was \$20 million; and now it is up to \$2 billion,

100 times more than the original estimate. We have many years of evidence that the gun registry is out of control, spending is out of control and guns are not being registered. When will the government admit these mistakes and scrap the program or put evidence on the table that the program is successful?

Senator Austin: Honourable senators, the gun control program is one of the major policies of this government and has been overwhelmingly endorsed by the people of Canada. That there have been problems with its administration is undoubted.

Senator Kinsella: That is an understatement.

Senator Austin: I might shyly admit that there probably are continuing problems, but what is important to remember is that this program must continue. The government is continuously working to deal with making it more effective.

Senator Tkachuk: The government has been using the excuse that all of this money is worth it, but we have seen no evidence of that. No evidence has been tabled in the Senate. Information on a study done by the government has been requested under the Access to Information Act. The government responded by blocking out whole sections of the study so that the people of Canada who are paying for this program cannot find out what is truly going on. If the program is going so well, this study should be tabled in the Senate so that it can be examined in committee to find out if the program is indeed working.

Senator Austin: Honourable senators, as I said, I am not aware of the study, but I will make inquiries. I will be happy to table any part of the study or the government's response to the study that is now made public.

Senator Tkachuk: We can read that.

#### **INDUSTRY**

#### STRATEGY FOR AUTOMOTIVE SECTOR

Hon. Marjory LeBreton: Honourable senators, looming on the horizon is a layoff of up to 4,000 workers at General Motors, which, in turn, could place as many as 20,000 spin-off jobs at risk. Last October 15, the Minister of Industry told the other place:

...the government is working hard on automotive sector strategies that will benefit not just Ontario but all of Canada...

That was eight months ago. Does the government have a specific strategy now for the automotive sector?

Hon. Jack Austin (Leader of the Government): Honourable senators, the government is in an advanced stage with respect to its automotive strategy. Honourable senators may have noticed that the government has made \$200 million, I believe, available to General Motors and another large sum in that range to Ford. Discussions are ongoing with DaimlerChrysler with respect to its expansion of operations in Ontario, and recently an announcement was made with respect to financial support to the Toyota greenfields plant, also to be located in Ontario.

I understood the topic sentence of Senator LeBreton's included the phrase "looming on the horizon." At this minute, the Canadian auto industry is proving to be as productive and efficient as any in North America. We have not seen moves against the Canadian auto industry by General Motors or any of the other auto producers to close off employment.

We have seen General Motors make announcements in the media with respect to its activities and employment in the United States, but I have seen nothing up to this time that focuses on Canada.

#### **FINANCE**

#### BUDGET 2005— REMOVAL OF BUSINESS TAX MEASURES

Hon. Marjory LeBreton: On Friday of last week we learned that Canada's manufacturing sector had seen the loss of 91,000 jobs over the past year, with 18,000 during the month of May alone. The government's policies are not working, and our manufacturers are laying off people.

Earlier this year, a study by the C.D. Howe Institute found that our corporate marginal tax rate was the third highest of 20 nations studied, after factors such as depreciation rules are taken into account. The business tax reductions in the last budget provide a small bit of help to address what is a very uncompetitive tax regime for investment. The government, as part of its deal with the NDP, has taken the business tax cuts out of the Budget Implementation Act, promising to put them back in another bill later.

#### • (1410)

Can the Honourable Leader of the Government in the Senate tell us what kind of message it sends to potential investors, not to mention to our manufacturing industry and business group, with such confusing and mixed signals?

Hon. Jack Austin (Leader of the Government): Honourable senators, the measures that are under consideration for removal from Bill C-43 in the other place relate to large corporation taxation, and I am sure that honourable senators are aware that medium and small business taxation is being reduced in that budget.

With respect to the large corporations, the government has said that it will introduce those same measures in a separate bill, so that the overall effect of the government's budget Bill C-43 is intended to be as it was placed before Parliament initially.

With respect to what is taking place in the manufacturing sector, there are many mixed signals. There are certain moves with respect to the reduction of manufacturing jobs, but other jobs are being created in other sectors of the Canadian economy. You may have noticed, for example, that in May 35,000 new jobs were created in Canada. The Canadian economy is performing as well as, or better than, that of any of the other G8 countries overall.

Therefore, I would suggest that there may be some very interesting exchanges in this chamber when we receive Bill C-43 and Bill C-48 with respect to various aspects of the Canadian economy.

#### **CANADA-UNITED STATES RELATIONS**

#### NORTH DAKOTA—DEVILS LAKE DIVERSION— INITIATION OF DISCUSSIONS

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, my question is to the Leader of the Government in the Senate. I congratulate the government on getting such a rapid response to the question about the Devils Lake project in North Dakota, as announced in the National Post, but it seemed to have taken the name of Brian Mulroney to get some action. I am wondering if there is a coincidence here, or if it really did work.

At any rate, now that we have that matter on hold, as announced by the Governor of North Dakota, I would like to know from the Leader of the Government in the Senate what the next step in the process might be. Having achieved the stoppage as of July 1, what is the intention of this government? What would it like to achieve?

There are two options, as I see it. The first is that we refer the matter to the International Joint Commission, and the other is that we work out a mutual agreement without going to the IJC. What is the government's intention here, if I might ask?

Senator Kinsella: They do not know.

Hon. Jack Austin (Leader of the Government): Honourable senators, I thank Senator Stratton, I think, for his opening compliment. If the use of the name of former Prime Minister Brian Mulroney could produce that type of results, I would certainly want to employ it in the softwood lumber issue, the BSE issue, the duram wheat issue, and any other issue that might possible arise.

Senator LeBreton: Why not?

Senator Austin: Honourable senators, whatever works. However, I do have a small amount of scepticism that the employment of that name would make any effective difference.

With respect to the question itself, the current discussions between Canada and the United States are an endeavour to create a settlement of Canadian concerns without a reference to the IJC. In other words, if I could summarize it in this way: We would like an IJC-like conclusion and recommendation without the IJC process. That, as Premier Doer has made clear, would be very satisfactory to Manitoba.

The prime concern, as you well know, relates to parasites and other water-borne organisms that might damage the existing ecological balance in the Red River. Measures are now being focused on determining whether there is a physical capacity to prevent those organisms from being discharged into the Red River. Quite frankly, we are seeing a positive engagement by both sides in an attempt to find a pragmatic solution to Canada's concerns.

Senator Stratton: Honourable senators, there is frustration on the part of the folks in North Dakota about concluding this matter, and frustration on the part of Manitobans that nothing seems to be evolving as a solution to this problem. We do not want that frustration to erupt on either side of the border, with the result that the Governor of North Dakota decides that it is time to open those gates and let the water go. That is the last thing we want. I should hope that the government would take every step possible to prevent it.

Does the Leader of the Government in the Senate have any indication as to how soon this matter can be resolved? We have gone along for a fair length of time now and have not reached a conclusion. The hang-up is the parasites currently, or theoretically, in the lake. They have not proved that conclusively. They also have some wonderful striped bass, I hear, if you like to catch bass. That is the good part.

At any rate, does the leader have any indication whatsoever, and I think it is important, as to how quickly this matter can be resolved? It is important for both sides to have some kind of indication.

Senator Austin: Negotiations have begun, Senator Stratton, and they are continuous until there is concurrence on what must be done, or it is clear that there can be no agreement. The only assurance I can give at this time is that these negotiations are ongoing and are being handled in an expeditious way.

#### AGRICULTURE AND AGRI-FOOD

#### INCOME STABILIZATION PROGRAM— REVIEW OF ADMINISTRATIVE ASPECTS

Hon. Leonard J. Gustafson: My question is to the Leader of the Government in the Senate. The Canadian Agricultural Income Stabilization, or CAIS, program has a serious fault it, as the minister will know, in the reference margin, beside what type of payment the farmer will get. If a farmer has had three or four poor crops, there is no reference margin, or it is very low. What has been happening is that the farmers who do not need the money are getting most of the payment and the farmers who do need it most are not getting it at all.

I understand from the minister, who appeared before the committee, that the department intends to examine this aspect of the matter. I understand also that a board has been struck to look specifically at how the CAIS program is administered.

Could the leader bring us up to date as to what has happened at this point in time on that specific situation?

Hon. Jack Austin (Leader of the Government): Honourable senators, the best way I can attempt to answer the question specifically is to say that at a meeting in Ottawa held in March 2005, federal and provincial ministers asked officials to develop alternatives to the current CAIS program, and particularly the deposit part of it, and to consult with the industry. Options have been developed that will be considered by ministers again at a meeting next month.

I have a lot of information in general about CAIS that I could put on to the record for Senator Gustafson, but I will not do that because he already knows what I would say.

• (1420)

[Translation]

#### **DELAYED ANSWERS TO ORAL QUESTIONS**

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour of presenting two delayed answers to oral questions raised in the Senate. The first is a response to an oral question raised on June 7, 2005, by the Honourable Senator Tkachuk regarding Budget 2005, the creation and auditing of and contributions to foundations.

[English]

The second delayed answer is in response to an oral question raised on April 21 2005, by the Honourable Senator Cochrane regarding Bill C-43.

#### **FINANCE**

#### BUDGET 2005—CREATION AND AUDITING OF AND CONTRIBUTIONS TO FOUNDATIONS

(Response to questions raised by Hon. David Tkachuk on June 7, 2005)

This clause provides the Government with flexibility to allocate the funds to the appropriate entities, following consultations as to how best to achieve the policy objectives.

Monies could be allocated to provinces, municipalities, not-for-profit organizations, trusts, foundations or through existing government programs. The ultimate recipient will be dependent on these consultations with the stakeholders involved.

To be eligible to receive payment, these entities must exist at March 31st and be independent from, and not controlled by, the Government.

This threshold is considerably lower than that proposed in Private Members' Bill C-277, which set a threshold of \$100 million over twelve consecutive months.

It is also lower than the threshold of \$500 million in federal assistance received as recommended by the Standing Committee on Public Accounts in its 14th report and more inclusive that the threshold of \$100 million in assets as recommended in the more recent 6th report of Standing Committee of Public Accounts.

Of the \$10.5 billion transferred to foundations since 1996-97, over 90 per cent of this funding would be subject to the provisions in Bill C-43.

The Auditor General, in a letter to the Chair of the House of Commons Standing Committee on Public Accounts, indicated that she was interested only in the larger allocations of funding. The Auditor General was consulted and is comfortable that \$100 million is a reasonable threshold of materiality.

The funding of \$40 million to the Aboriginal Healing Foundation will bring total funding to that foundation to \$390 million. Bill C-43 allows the Auditor General to conduct a performance audit in that foundation.

The funding for the other foundations listed falls under the \$100 million over the last five consecutive years. The government has no plans, at this time, to ask these foundations to submit to a performance audit by the Auditor General. However, there are provisions in some funding agreements, including that of the Aboriginal Healing Foundation, for Ministers to conduct performance audits and they may, through Governor in Council, request the Auditor General to conduct such audits under authority of Section 11 of the Auditor General's Act.

#### NATURAL RESOURCES

NOVA SCOTIA AND NEWFOUNDLAND AND LABRADOR—SPLITTING OF REVENUE-SHARING AGREEMENT ON OFFSHORE OIL REVENUES FROM BUDGET IMPLEMENTATION BILL

(Response to question raised by Hon. Ethel Cochrane on April 21, 2005)

There is no validity to the question raised by the Honourable Senator. While an amendment was made in the other place that removed one incidental amendment to the Canadian Environmental Protection Act, the essential legislative components of the government's Climate Change Plan remain intact in Bill C-43, namely the Climate Fund agency and the Technology Fund.

Bill C-43 contains provisions for government priorities, such as early learning and child care, the new deal for cities and communities, healthcare, and Kyoto.

As the Leader of the Government in the Senate mentioned in his response, the Atlantic Accord is also a part of Bill C-43 and the Government of Canada remains committed to ensuring this legislation is passed by both Houses of Parliament before the summer break.

#### ORDERS OF THE DAY

#### CANADA BORDER SERVICES AGENCY BILL

SECOND READING—DEBATE ADJOURNED

Hon. Tommy Banks moved second reading of Bill C-26, to establish the Canada Border Services Agency.

He said: Honourable senators may remember that the last bill that it was my honour to introduce to you was characterized by me as a "machinery of government" bill. It contained, however, a matter of some contention, as you will recall. It also had the effect of abolishing the Office of the Solicitor General of

Canada. Notwithstanding that, it was a machinery of government bill, as is Bill C-26, which is a bill to establish the Canada Border Services Agency.

This is a simple, straightforward machinery bill that will have an enormous impact on the safety and security of Canada and Canadians, and its passage is vital if we are to maintain the security and integrity of our border with the United States, in particular. I am proud to sponsor this very important piece of legislation, which will create an innovative border management organization based on Canadian values of fairness and respect of the rule of law, and of equity and equality. It will also strengthen our nation's capacity to respond swiftly and effectively to everescalating risks and threats to our country.

When this country was formed, honourable senators, our forefathers and forebears and the Fathers of Confederation made a conscious decision to establish a country that would be founded on peace, order and good government. Security is the cornerstone of our society and, as has been said by others here before, the security of its citizens is the first business of a government. Successive governments and generations of Canadians have upheld that ideal, with the result that we now enjoy a standard of living and a quality of life that is the envy of the world. However, the repeated and unprecedented challenges that we have confronted since the turn of the century have exposed vulnerabilities to peace, order and good government that put our way of life at risk. No one is immune to the damaging effects of the sometimes sinister forces that face us in our increasingly connected world.

Since September 11, 2001, it has been particularly difficult, and a hard lesson for Canadian businesses that depend on a free and open border with the United States for close to \$2 billion a day of cross-border trade, as well as for the millions of travellers who once took cross-border travel for granted.

While terrorist threats are a serious, new challenge, we all know that they are not the only ones, because previously unknown diseases, such as SARS and the avian flu in North America, have underlined the fact that national security in the 21st century includes protecting the health of our citizens, as well as the vitality of our economy and our physical safety.

Illegal migration is another issue that confronts most developed nations, including Canada. The International Organization for Immigration puts the current estimate of global immigrants at 175 million a year.

There is also the matter of organized crime employing technology to break Canadian laws in new ways, whether trafficking in drugs, weapons, pornography or prostitution, and creating all kinds of problems for our communities across the country.

In recent years, it has become clear, honourable senators, that in order to protect our citizens, our economy and our society, we must better anticipate and be prepared to address any and all hazards that arrive from whatever source at our doorstep. That is why public safety and emergency preparedness legislation, and its corresponding portfolio, was created in December 2003 and made legal by the bill we passed several weeks ago, to bring together key national agencies dedicated to public safety that include the Canada Border Services Agency — the subject of this bill — the

Correctional Service Canada, the RCMP, CSIS, the National Parole Board and the Canada Firearms Centre. It is the responsibility of those organizations to protect Canadians, and to evaluate information from domestic and international sources to assess the whole range of risks that our country faces.

The Canada Border Services Agency has already built on the progress made jointly with the United States in the 2001 Smart Border Declaration, including a number of initiatives that have been aimed at allowing low-risk travellers and cargo to be processed quickly. It is very important for low-risk cargo and low-risk passengers to be processed very quickly in crossing our border so that the necessary time can be taken to look more closely at high-risk cargo, travellers and trade.

The next generation of the Smart Border Action Plan is a component of a broad government strategy for stronger links among Canada, the United States and Mexico. This agenda both deepens and broadens the existing action plan and includes new areas such as food safety, cyber-safety and security, public health, and marine and transport security.

With the passage of Bill C-26, the bill before us, Canada will move forward with an integrated and multifaceted approach to border management, which is a key component of the national security policy. It is, in fact, already enabling this agency to better protect Canadian citizens while facilitating lawful migration and trade. In the 18 months since this agency was created, the CBSA has accelerated a number of progressive and smart measures which, while they are complex and diverse, are carried out with the expectation that people and businesses will comply with laws and regulations. Most do.

However, the agency has put in place risk management strategies to identify, detect and interdict high-risk people and high-risk goods. I want to address CBSA's approach to risk management because it is important. It draws on a wide variety of strategies and technologies to concentrate resources on high risks or unknown risks, and to keep lawful travellers and lawful trade moving freely. Separating high-risk from low-risk cross-border traffic depends on CBSA's ability to collect information and to manage that information. It is in the interests of public safety and of legitimate cross-border traffic, travel and trade that that information be managed properly.

The information gathered both by the agency and from other government agencies is disseminated to field offices as required through a combination of electronic and manual methods, including lookouts, notices that we get — from different police departments, for example — or watch lists. All those sources are protected when entered into the enforcement system, bulletins and alerts. Based on experience and analysis in managing that information, CBSA has compiled a list of what it calls "risk indicators" which, when they are present in certain combinations — not so much by themselves but in certain combinations — could result in a referral decision with respect to either traffic of goods or people. Those criteria include compliance history, specific information in the form of lookouts, notices from other governments, the behaviour of the traveller and the known links or association that he or she might have, the

place of origin of a flight, its route and transit points, and the particulars that are gained from information about a ticket purchase. All these indicators are monitored for relevancy and effectiveness in the management of information, and they are refreshed regularly. Regardless of the reason for the referral, the level of examination is progressive, and it is based on reasonable suspicions.

• (1430)

Every single individual who comes into this country, whether for the first or the twenty-fifth time, arrives initially at what is called the primary inspection line, PIL. From that point, some individuals are referred to the secondary line, and asked a few extra questions. Most are then sent on their way. Others in the second line are required to open their baggage for inspection, and still others are held for more detailed questioning, personal search and other kinds of disposition.

The level of examination is directly related to the level of suspicion on the part of the officer. Individuals are released from that secondary line as soon as the officer is satisfied that they do not pose a risk to Canada and Canadians. The practice of pre-approval by the use of managed information makes it possible for those officers to speed up the process involving legitimate passengers and their cargo, particularly those with good track records who have been pre-cleared. The role of the Canada Border Services Agency, CBSA, is to prevent the entry of any goods, including animals, plants or food products that threaten the safety of Canadians.

Since the Canadian National Risk Assessment Centre became operable on a 24-hour-a-day, 7-day-a-week basis last year, the CBSA is now able to share those automated lookouts and pieces of information with U.S. Customs and Border Protection. These lookouts describe persons or shipments of interest. The centre serves as the focal point for managing and coordinating that information, including lists of lost and stolen passports and other travel documents, to stop high-risk travelers from entering into Canada. That assessment centre ensures the timely distribution of the information to field officers who are ready to act quickly and decisively to apprehend and stop the entry of terrorists, high-risk people, illegal contraband, drugs and weapons into Canada.

The management of that information and the issue of information sharing continue to draw attention. I want to talk about information management and sharing a little bit, because the CBSA administers over 90 acts on behalf of other government departments and agencies. The CBSA can ensure that all travelers coming into Canada are admissible and comply with our laws and regulations, and that all applicable duties and taxes are paid.

The information that is collected on travelers from abroad by CBSA before the travelers arrive in Canada allows officers to facilitate efficiently lawful trade and lawful entry into Canada by travelers, and to focus on those shipments and people who pose a high risk. Frankly, the approach is grounded in the understanding that with millions of arrivals every year in this country, it is much easier to identify and stop dangerous people and cargo once you eliminate the millions of low-risk ones.

Separating the high-risk travelers and traffic from the low-risk ones depends on the agency's ability to collect and manage information. Intelligence is gathered to forewarn of activities likely to occur. Intelligence helps to establish indicators and trends. It also enhances the risk management capacity, and supports decision-making and enforcement efforts.

The CBSA shares information with other government departments, both domestic and foreign, with the goal of maintaining and protecting the health and safety of the people of Canada and partner countries. Information sharing is essential in the administration and enforcement of immigration, customs and food inspection laws. This sharing of information maximizes the efficiency and effectiveness of the agency's operations, as it allows officers to process millions of lawful travelers.

All information sharing is subject to the terms and conditions of applicable legislation. The CBSA is governed by written collaborative arrangements outlining the purpose for the sharing as well as the safeguards that protect information. The CBSA manages its information in accordance with the Access to Information Act, the Privacy Act and the Treasury Board Guidelines. The CBSA also strongly supports the government policy of greater transparency.

The Privacy Commissioner and her office have been consulted, and have also been reassured that data collection and sharing will be subject to the terms and conditions of all applicable legislation.

An important example of how the CBSA uses and shares information is the requirement for advanced passenger information, API, and personal name record, PNR. The agency asks airlines to provide information on passengers before they arrive in Canada. This information allows officers to assess the risk and identify potentially high-risk individuals for closer scrutiny, while clearing the vast majority of low-risk and law-abiding travelers quickly and efficiently.

Basic information is provided, such as the traveler's date and name, birth date, citizenship, nationality, passport or other travel document data, along with more detailed information, such as the prior travel history of the passenger and the passenger's address and check-in information. All this is collected through airline reservation and ticketing systems.

Previously, this information would have been available to officers through their review of travel documents, and their questioning of travelers after the travelers arrived in Canada. Now, with API and PNR, that information can be reviewed by officers in advance, and they can assess the risk in advance. This advance review has the potential to reduce long waits at entry points without compromising security, efficiency and safety, because officers can concentrate on the traffic and people who might present a risk.

Collective information that is maintained and distributed electronically contributes to an objective assessment, because the electronic technology that officers use is not susceptible to outside influence or judgment of any kind. Machines will never replace the keen observations of persons on the spot, but they remain a necessary tool in front line operations.

Container screening is another matter that is dealt with by the CBSA. I wish to remind you that in the 2005 federal budget, the government provides \$88 million over five years for Canada to work with the United States on the container security initiative. We are committed to that partnership with the United States, and we have been pushing the borders out by that means, to secure North America from threats further away from our borders.

The CBSA has done much more and will do much more in the months ahead with the passage of this bill. Additional funding from the present budget, Budget 2005, will be invested in critical areas, such as immigration enforcement, employment, employee health and safety, business line support and the hiring of additional border service agency staff at key border locations across Canada.

The CBSA is the first point of contact in ensuring that these rights and freedoms that we value so highly are protected, as the agency manages the movement of people and goods into and out of Canada. Given the positive start that this new agency has had since its founding, I believe and hope that all senators will give this legislation consideration and speedy passage.

On motion of Senator Stratton, for Senator Forrestall, debate adjourned.

#### THE SENATE

MOTION TO ESTABLISH NEW NUMBERING SYSTEM FOR SENATE BILLS ADOPTED

Hon. Bill Rompkey (Deputy Leader of the Government), pursuant to notice of June 15, 2005, moved:

That, in order to facilitate references to the various classes of bills introduced in the Senate, namely government bills, public bills or private bills presented by Senators, the Standing Committee on Rules, Procedures and the Rights of Parliament be authorized to examine and report upon establishing a new system of numbering for Senate bills.

• (1440)

He said: I do not think a lot of time need be spent on this issue, honourable senators. It is fairly straightforward.

The suggestion is that, in order to avoid confusion, we adopt a new way of numbering Senate bills that is somewhat similar to what takes place in the other place. Over there, they have allocated between C-2 and C-199 for government bills and from C-200 onwards for public and private bills.

What we propose through this motion is that our Rules Committee study the issue to see if it would make more sense for us to so number our bills, in order for us to more clearly distinguish one from the other and follow the process of each, whether they are government, public, or private bills. That is essentially the proposal. I hope that honourable senators will support it and allow the Rules Committee to give us the benefit of their discussion on it.

Senator Stratton: Question!

The Hon. the Speaker pro tempore: Are senators ready for the question? It was moved by the Honourable Senator Rompkey that in order — may I dispense?

Hon. Senators: Dispense.

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.

#### FIRST NATIONS GOVERNMENT RECOGNITION BILL

SECOND READING—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator St. Germain, P.C., seconded by the Honourable Senator LeBreton, for the second reading of Bill S-16, providing for the Crown's recognition of self-governing First Nations of Canada.—(Subject-matter referred to the Standing Senate Committee on Aboriginal Peoples on February 22, 2005)

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, Bill S-16 is at day 15. The subject matter is now referred to the Standing Senate Committee on Aboriginal Peoples. I understand that witnesses are now being heard. I would ask, therefore, that the clock be rewound.

**The Hon. The Speaker** *pro tempore*: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Order stands.

[Translation]

### STUDY ON OPERATION OF OFFICIAL LANGUAGES ACT AND RELEVANT REGULATIONS, DIRECTIVES AND REPORTS

INTERIM REPORT OF OFFICIAL LANGUAGES COMMITTEE TABLED—DEBATE ADJOURNED

The Senate proceeded to consideration of the sixth report (interim) of the Standing Senate Committee on Official Languages, entitled: French-Language Education in a Minority Setting: A Continuum from Early Childhood to the Postsecondary Level, tabled in the Senate on June 14, 2005.—(Honourable Senator Corbin)

Hon. Eymard G. Corbin moved:

That the sixth report of the Standing Senate Committee on Official Languages, entitled French-Language Education in a Minority Setting: A Continuum from Early Childhood to the Postsecondary Level, tabled in the Senate on June 14,

2005 be adopted and that, pursuant to rule 131(2), the Senate request a complete and detailed response from the government, with the Minister of Canadian Heritage, the Minister of Social Development, the Minister of Justice and the Minister responsible for Official Languages.

[English]

He said: Honourable senators, I would like to say a few words on this report. I do not think the ink has completely dried. I tabled it just a couple of days ago in the Senate, and I know that a number of you are still in the process of digesting its contents.

There are some things that the chair of a committee should always say. The first thing I would like to do is thank all the members of the committee for their hard, persistent and consistent work. There is no way that this report could have been tabled without the full cooperation of all members on the committee.

I would especially like to single out the deputy chairman of that committee, the Honourable Senator John Buchanan, who was present at all of the meetings and contributed wisely to our deliberations.

I would like to name everyone, but allow me to thank, on behalf of the members of the committee and on behalf of all of us, the Honourable Senator Viola Léger, who is taking her leave from this place today. She has done dedicated work, not only in this committee, of course, but in others as well. Her contribution, especially in consideration of cultural matters, was extremely useful for the committee. We will not forget her very wise advice. Thank you, Senator Léger.

[Translation]

I want to tell the honourable senators about the origins of this study. But, first, I must say that the committee decided to focus on French-language education in a minority setting, excluding English-language education in Quebec and second-language learning in Quebec or elsewhere in Canada. This decision was motivated by one reason in particular. We did not want to confuse the different issues. Francophone Canadians have completely different needs from the needs, condition and situation of anglophones in Quebec. It is necessary to distinguish between second-language learning, which is not actually a right, after all, and the right of francophone parents in every province and territory in this country to have their children educated in their own language.

We will address these other issues at future stages of the committee's work. For now, we deliberately focused on this issue in order to minimize any confusion and ensure the report was not overly onerous and complicated. That was our initial intent.

This work originally began under the leadership of the Honourable Rose-Marie Losier-Cool, who resigned as chair of the committee when she agreed to serve as government whip in the Senate.

(1450)

I do not know if her decision is to be applauded or regretted. She helped to launch this study, and while she was in the chair, the committee held hearings in Western Canada, in the fall of 2004, where we met with representatives of the four Western provinces: British Columbia, Alberta, Saskatchewan and Manitoba.

Those hearings were the true source of this whole study. We must thank Senator Losier-Cool for having steered the committee in that direction. Since then, there has been an election and changes in ministerial portfolios. Three different ministers have been in charge of the Government of Canada's Action Plan for Official Languages. There have been significant delays. There have also been periods when the committee could not do its work.

Finally, last fall, we collectively decided that we would revisit the subject of education in francophone communities and we heard from numerous witnesses and experts in the field of education in a francophone environment. The list included Professor Pierre Foucher of the Law Faculty of l'Université de Moncton, who focused us right from the start on the importance of section 23 of the Charter of Rights and Freedoms concerning the right of parents to have their children educated in primary and secondary school in their mother tongue.

In the same vein, he also referred us to the decisions of the Supreme Court of Canada, which described the development of the policies and programs of the federal government, and which helped all stakeholders — the federal and provincial governments, and the school boards — to better understand their obligations in this matter.

The committee had the pleasure of welcoming the Institut canadien de recherche sur les minorités linguistiques and its Director General, Rodrigue Landry. We heard from representatives of the Commission nationale des parents francophones, the Fédération nationale des conseils scolaires francophones, which, I may note, completed a very successful convention here in Ottawa just two weeks ago. We heard witnesses from the Fédération culturelle canadienne-française, the Réseau des cégeps et des collèges francophones du Canada, the Alliance canadienne des responsables des enseignants et des enseignantes en français langue maternelle, the Interdisciplinary Research Centre on Citizenship and Minorities of the University of Ottawa, the Fédération des communautés francophones et acadienne du Canada, the Department of Canadian Heritage, the Office of the Commissioner of Official Languages, the Department of Social Development and the Privy Council Office, under the auspices of the Honourable Mauril Bélanger, the Minister responsible for Official Languages.

I have intentionally named all those groups. We were able to conduct a dialogue with what we believe are some of the most important stakeholders in this field in Canada. When considering the matter of education in French, it is clear that the committee, chaired by Senator Losier-Cool, also had an opportunity to meet with stakeholders who play an important role as well.

I feel that our meetings, for example, with the Assistant Deputy Minister of Manitoba's Department of Education and Youth, the Honourable Ron Lemieux, as well as our meeting with Jacqueline

Gosselin, Manitoba's Director of Educational Support Services, were valuable because they allowed us to see into the bureaucracy and better understand how things are done. That is just one example.

At that time, the committee also met with ministers, with representatives of universities and school boards. To our great disappointment, I must say — and this is pointed out in the foreword to our report, the Council of Ministers of Education, Canada, the Association canadienne d'éducation de langue française, and the Réseau d'enseignement francophone à distance du Canada decided to decline the committee's invitation to appear and present their viewpoints on the subject under study.

We found this reluctance surprising because they are, after all, key players, particularly the Council of Ministers of Education, Canada. This is the body with which the federal government negotiates and establishes protocols for the funding of all activities and obligations that fall under section 23 of the Charter.

I personally have considerable difficulty understanding this reluctance. Canada is a great democracy, after all, and a modern state. We are obliged to be answerable to Canadian taxpayers. We in Parliament have set ourselves the mission of trying to improve the government's programs and approaches, not only internally but also in its relationships with other jurisdictions. I feel that the CMEC has deprived us of a source of information that would have been useful in helping us understand the mechanisms that cause the slowdowns and delays we often encounter in negotiating agreements and protocols. If anyone can explain why we do not have access to that information, I would appreciate it.

I thought the CMEC and Canadian Heritage were in the best position to explain to us why there were so many delays, delays which are prejudicial to the people who benefit from section 23 of the Charter and from programming and funding by all levels of government.

The committee is not in a position to provide any explanations on this. However, as stated in my motion, if the Senate decides to adopt the report, the government will again have an opportunity to react and to tell us whether the situation could in fact be improved.

The present agreement is a good two and one-half years behind the target date. Like a number of others, I feel this is totally unacceptable.

That said, I would like to make the honourable senators aware that francophone education encompasses 160,000 students in 665 schools throughout the country, with the exception of Quebec, which are administered by 35 school boards or school districts, or whatever term is used in their particular province.

The committee feels that the education provided to francophones in this country must not be of lesser quality than the education provided to the linguistic majority in this country. • (1500)

This is not a favour anyone is doing or requesting. It is mandatory under section 23. We are far from having reached this ideal, despite the very significant progress made since section 23 of the Charter came into effect.

Again, the results have to be equal and the infrastructure to achieve these results has to be of equal quality; the pedagogy and pedagogical tools must be equal. Otherwise, we cannot talk about linguistic equality in this country.

The Official Languages Act is not just for Quebec and Ontario. It is intended for all Canadians no matter where they live in this country. Make no mistake, if we do not start by looking after the official language minority and giving it the tools and instruments it needs to achieve full equality, then we might as well forget about the Official Languages Act.

[English]

The Hon. the Speaker: I am sorry to advise that the honourable senator's 15-minute time period has expired.

Senator Corbin: Could I have perhaps another three minutes?

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Hon. Terry Stratton (Deputy Leader of the Opposition): You said what, sir?

Senator Corbin: Three minutes.

Senator Stratton: Thank you. I wanted to make sure I heard correctly.

Senator Corbin: I know you are taking into account the comments I made yesterday, which I do not mind. I always attempt to stay within the rules. However, this is exceptional.

I will conclude my remarks by skipping many points I wish to put on the record today. However, I do want to say that one of the important and fundamental aspects of the thrust of our study was to look at education as a continuum.

Do not forget that the little French boys and girls and their parents, who want to maintain their language and culture under the rights and provisions of article 23, have to work much harder than the majority language group anywhere in this country. Indeed, we had a report of a study — and I heard about it in the press — by the Council of Ministers of Education, Canada to the effect that French language minority students lag behind in the field of science. That finding should say something to all of us. If it is so in the field of science, it must be so in many other fields.

It is something for the Council of Ministers of Education to have made that discovery, but to us in the francophone minority,

it is not something new. That is something I had to live through when I was a youngster, before my parents sent me to college. That situation still prevails today.

Our report attempts to bring the quality of instruction in this country to a level of equality between the two official languages, nothing more and nothing less. That is essentially the thrust of our report.

Hon. John Buchanan: Honourable senators, I understand that I have three minutes.

Senator Stratton: That is right.

**Senator Buchanan:** I need more than three minutes. Has anyone ever seen me talk for only three minutes?

Senator Stratton: That was two minutes ago.

[Translation]

Senator Buchanan: Honourable senators, I am pleased to take part in the debate on the report of the Standing Senate Committee on Official Languages, entitled *French-Language Education in a Minority Setting*.

[English]

It has been both an honour and a privilege to serve as deputy chairman of the committee for the past four months and to participate in all of the hearings and the many all-day sessions and part-day sessions.

This report represents the hard work of all members of the committee. I do want to single out and congratulate Senator Corbin, the chairman of the committee, for the effective and professional way in which he conducted all of our committee meetings. His expertise, developed over many years in an Acadian area of New Brunswick, many years as a member of Parliament and many years in this place, certainly was manifested by his incredible knowledge of the substance of French language education in a minority setting. We can see that throughout this whole report.

I would be remiss if I did not express my congratulations and appreciation to our very able clerk and the members of her staff and our researchers. Without their expertise, this report would not be before us today. Let me tell senators how hard they worked. On the weekend, we were to prepare the forward and the preface to the report. I received a draft last Friday. I had intended to respond to it the first of the week. I was away on Saturday, and when I got back to Halifax on Sunday, another fax from the clerk was waiting for me, informing me that she and her staff had been working all weekend on the report, the preface and the forward. She asked if I would review it and get my comments back to them as quickly as possible. I called her after I had gone through it, and she was still there in her office at five o'clock on Sunday afternoon. That is what I call dedication to the Senate, to the chairman, myself and the other members of the committee.

Senator Tkachuk: Slave drivers!

Senator Buchanan: Slave drivers, yes. That is why I won so many elections over the years.

The staff was determined to finish this report so that the chairman could table it on Tuesday.

I also wish to congratulate and thank my dear friend Senator Léger. I have served on committees in this place over the years. I have served on other committees in other legislatures.

I want to tell you, my dear, that it has been a privilege and an honour to serve on a committee with you.

Honourable senators, Senator Léger is extraordinary. Her background comes through wonderfully well in a committee setting. She not only thrilled people like me, but our witnesses were all taken aback by her expertise and her greatness.

We will miss you, senator.

I had the honour of serving on this committee and also on the Aboriginal Peoples Committee with Senator Léger. On both, she was a dedicated, determined and wonderful young lady.

#### (1510)

As a result of the work of this committee, I have a much different appreciation of section 23 of the Charter of Rights and Freedoms than I had previously. I was present when the Charter was passed in 1981, but I did not have a full appreciation of section 23 until I served on the Official Languages Committee and learned about French language education in a minority setting.

All honourable senators should read this report carefully. It is one of the most important reports in which I have participated in my 14 years in the Senate. We on the Official Languages Committee hope that the federal and provincial governments of Canada will act quickly and effectively on the eight recommendations in it. The document is well-researched and well-written, and it will be recognized by both francophone and anglophone communities throughout this country.

We hope that the document will not gather dust in offices, schools and libraries. This report should be an integral part of studies in the schools and universities across this country.

Three organizations declined our invitation to appear before the committee — the Council of Ministers of Education, Canada; the Association canadienne d'éducation de langue française and the Réseau d'enseignement francophone à distance du Canada. I find that most unfortunate, and the committee regrets it very much.

Honourable senators, I want to reiterate what a privilege and honour it has been for me to participate actively in this committee. When I was elected deputy chairman of the committee, I wondered why my colleagues would elect me to this position. I was told that it was because the official languages of Canada are English and French and, as the chair is a francophone Acadian and I am an anglophone, it was appropriate that I be deputy chair. I am very honoured to have been elected and I hope to continue to serve in that capacity until I leave this place.

I hope this report will do much good in this country for those communities at which it is aimed.

On motion of Senator LeBreton, for Senator Kinsella, debate adjourned.

[Translation]

#### NATIONAL SECURITY AND DEFENCE

MOTION TO AUTHORIZE COMMITTEE TO MEET DURING SITTING OF THE SENATE— DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Nolin, seconded by the Honourable Senator LeBreton:

That the Standing Senate Committee on National Security and Defence have power to sit on June 20, 21 and 22, 2005, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto; and

That if the Senate has adjourned for a period exceeding one week, the Standing Senate Committee on National Security and Defence be empowered, in accordance with Rule 95(3), to sit on June 20, 21 and 22, 2005.—(Honourable Senator Robichaud, P.C.)

Hon. Fernand Robichaud: Honourable senators, yesterday I asked to have this matter stand because I had some questions for the committee chairman, the Honourable Colin Kenny, regarding his rush, as this motion attests, to authorize the committee to sit on June 20, 21 and 22 even if the Senate is sitting. I would have liked him to explain his decision to us. The Honourable Senator Nolin offered to provide an explanation, but I preferred to wait until today because I also wanted to ensure that staff, who are, as we all know, overworked at this time of year, would be available. I have been informed that this is possible. So could someone explain to me the urgent need to sit for three days while the Senate is sitting? Otherwise I shall not draw this out any longer.

[English]

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, Senator Rompkey and I discussed this morning the National Defence Committee request for permission to sit on June 20, 21 and 22, 2005. June 20 is a Monday, which is their normal sitting day, so there is no problem with the committee sitting on that day, as I understand it. I expect that the chair of the committee will be back here on Monday night, as the Senate is sitting then. We would like to ask our questions of him at that time, which would allow for the continuation of the committee's hearings on June 21 and 22.

We would like to hear from the chair. This issue is too critical not to hear from him on it.

#### [Translation]

Hon. Pierre Claude Nolin: Honourable senators, one of the reasons in favour of a decision today is the fact that on the morning of Wednesday, June 22, the committee is to hear some fifteen expert witnesses who have already appeared before it, but who have sufficient knowledge of the Canadian military to give us, before we begin drafting the initial report, their viewpoint on the contents. It would be unfortunate if we had to put this exercise off until September. This is why it is important for the committee to obtain leave to sit on June 20, 21 and 22, especially on the morning of the June 21 — because of the presence of these expert witnesses.

#### • (1520)

As some fifteen witnesses are involved and most of them do not live in the Ottawa area, we have to settle with them the details of their coming to Ottawa on Wednesday morning. This is why we require a decision by the chamber as quickly as possible.

#### [English]

The Hon. the Speaker: Do other senators wish to comment? We are on Senator Robichaud's time here.

Is your motion to adjourn, Senator Robichaud?

#### [Translation]

Senator Robichaud: Honourable senators, as I have indicated, I will be satisfied with a response from a member of the committee. However, Senator Stratton would prefer to wait until Monday for a response from the chair. I have had some answers. However, perhaps we should consider Senator Stratton's request, which I agree with.

Senator Nolin: You have to be kidding.

#### [English]

The Hon. the Speaker: I believe it is that we adjourn until Monday.

Is that right, Senator Stratton?

Senator Stratton: Honourable senators, this does not necessarily preclude the committee from meeting or arrangements taking place. What we insist on is hearing from the chairman. We are not just speaking for our side but both sides in this particular instance since we have not had the opportunity to question the chairman on this issue. Because it has been so fluid with respect to location, duration, voting, one-hour bells, number of witnesses invited, which ranges anywhere from 9 to 40, we need answers and we need answers from the chairman. Therefore, I adjourn the debate.

#### [Translation]

Senator Nolin: Honourable senators, I am prepared to provide answers. The meetings will be held within the Parliamentary Precinct. Fifteen expert witnesses will be in attendance Wednesday morning. We have to organize their travel to Ottawa as quickly as possible. Monday evening will be too late.

As for the participation by members of the committee in a possible vote, the bell that will apply to all senators will apply as well to the members of the committee. I see no other problems.

I understand that the committee chair is absent because of a death in the family. I think, honourable senators, that we have to be satisfied with this response. Otherwise, I will have to conclude myself that my colleagues are not acting in good faith, a conclusion I would certainly not want to reach.

On motion of Senator Stratton, debate adjourned.

[English]

#### **BUDGET IMPLEMENTATION BILL, 2005**

#### FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-43, to implement certain provisions of the budget tabled in Parliament on February 23, 2005.

Bill read first time.

The Hon. the Speaker: Honourable senators, when shall this bill be read the second time?

On motion of Senator Rompkey, bill placed on the Orders of the Day for second reading two days hence.

[Translation]

#### STATE OF POST-SECONDARY EDUCATION

. INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Callbeck calling the attention of the Senate to the state of post-secondary education in Canada.—(Honourable Senator Tardif)

Hon. Claudette Tardif: Honourable senators, I am extremely pleased to speak today in this debate on Senator Callbeck's inquiry on the state of post-secondary education in Canada. Having been a student, professor, dean of Faculté Saint-Jean and Vice-President of the University of Alberta, I am delighted at the depth of the debate on post-secondary education in this chamber.

I must thank Senator Callbeck for drawing this most vital matter to our attention. Thanks are also due to all my other colleagues, Senators Moore, Kinsella, Atkins and Mercer, for their contributions on the importance and the problems of post-secondary education in Canada.

Today, I would like to revisit some of these issues in a more general way and then move on to focus more particularly on the problems peculiar to French-language universities outside Quebec.

[English]

What comes to my attention when I look back on the previous inquiries of our good senators is the diverse range of issues that arise when we speak about the state of post-secondary education in Canada. These issues include tuition costs and student finances, research funding, commercialization, participation and completion rates for the general population, participation and completion rates for Aboriginal peoples, the rural urban divide, regional concerns, fundraising and life-long learning. This does not even begin to cover the individual needs of different forms of post-secondary education, from universities and colleges to technical schools and centres for distance learning.

What I also see, honourable senators, is agreement by all in the Senate that these issues are important, if not critical, to the future social and economic prosperity of Canada. This is a most encouraging development, one that I believe is representative of a growing understanding by the Canadian population.

More and more of our citizenry are realizing the social and economic benefits of a post-secondary degree and are seeking to attend schools across the country. The challenge, then, for all levels of government is in providing, for those who desire it, a post-secondary education that is accessible, affordable and of high quality.

In his essay, "The Mission of the University," Professor George Fallis speaks of the four core missions of a modern research university: teaching, research, community service and commercialization. Each of these components are critical because, as Fallis and so many others like him note, the modern economy is one that has transitioned from being resource-based into one that is driven by knowledge.

As far back as 1963, Clark Kerr wrote that:

The basic reality, for the university, is the widespread recognition that new knowledge is the most important factor in economic and social growth.

Today, writers like Dr. Richard Florida speak about the rise of the creative class, that is to say, those who are trained to excel in the knowledge-based economy and the economic and social value that this class has upon a city and a region.

As such, universities are one of the critical drivers in the success of a modern society and economy. Not only do universities train and draw in the talent necessary to the success of a region, but they also provide the technology that leads to modern innovations in areas such as health care, energy and agriculture.

• (1530)

Universities also promote the tolerance that is the basic requirement of a civil democratic society. If we look at the impact of the University of Alberta on Edmonton and the province of Alberta, we can see that that is indeed the case. The University of Alberta opened nearly 100 years ago in 1908. Today, the university receives over 35,000 students in more than

370 academic programs in 18 faculties. Nearly 50,000 alumni currently live in Edmonton, and over 194,000 live around the world

Annually, University of Alberta graduates working in Edmonton spend some \$3.8 billion after taxes. There is over \$2.5 billion associated with the ripple effect of spending by the University of Alberta, its employees, students and visitors, which helps support roughly 50,000 jobs.

My point in all of this, honourable senators, is that this is only part of the effect of one university in one city in one province in Canada. It barely scratches the surface. Add in the other universities, colleges and technical institutes from every province and territory in this country, from British Columbia to Newfoundland, and we would then begin to see the true depth and scope of social and economic power. There is not a single aspect of our lives that is not bettered by post-secondary education, whether it is our health, environment, standard of living, education, social development, political understanding or cultural undertakings.

The good news is that provincial governments across the country, as well as the federal government, recognize the importance of post-secondary education in the lives of Canadians. We have seen, over the past year, major investments in post-secondary education in several provinces, and I note British Columbia and Ontario.

In my own province, Alberta, we have seen a significant increase in public support for post-secondary education, which has, in turn, led to an increase in public funding.

In April of 2005, the Government of Alberta committed to providing, over the next three years, a 30-per-cent overall funding increase for post-secondary education. The federal government continued its support of post-secondary education in this year's budget, with important dollars being placed towards scholarships, innovations in climate change, as well as research and development in Canadian universities. All these initiatives and investments must be recognized and acknowledged for what they are, significant contributions to the public good.

They are significant contributions to the public good because the success of Canada will be measured according to the successes of post-secondary education. Canada's future prosperity, as well as its place in the global community, is dependent upon its ability to properly transition itself into the knowledge-based economy. That transition can most easily be facilitated by post-secondary institutions. Not only will post secondary institutions allow Canada to be a global competitor, they will also provide to individual Canadians a better life. Canadians who receive a post-secondary education will, on average, lead healthier lives, make more money, be more engaged as citizens and have greater opportunities and choices than those who simply complete high school.

We must create, support, sustain and build our knowledge capital in the optimistic hope that by doing so, we will create of Canada a capital of knowledge, one that is the envy of the world.

Yet, many challenges face post-secondary education today. Although tuition increases across the country have not created an overall decline in attendees to Canada's major post-secondary institutions, we know youth from high-income families are twice as likely to attend university as youth from low-income families. That cost is the single largest reason given by those who choose not to attend post-secondary institutions.

We know that it is becoming more difficult to achieve the grades necessary to get into the limited spots that post-secondary institutions can provide. The average secondary school marks needed to gain entrance to a university in Canada have increased 10 percentage points over the last decade. This is increasingly burdensome on low-income students, as they are more likely to have missed out on various forms of support that tend to foster academic achievement.

We know that while provincial governments and the federal government are making significant contributions to research, development and the commercialization in Canada's post-secondary institutions, we must do more if we wish to maintain our economic and social status in the world, gain rather than drain the most talented minds and provide innovative and efficient solutions to pressing concerns such as bovine spongiform encephalopathy, climate change and spiralling health care costs. If we are to find innovative solutions to modern problems, and if we wish to compete globally with countries such as the United States, India, China or the European Union, we must place a greater priority on research and development in this country.

#### [Translation]

We must also make use of this innovative thinking to solve the problems faced by French-language universities outside Quebec. In addition to facing the same challenges as their counterparts elsewhere in the country, these universities often face the additional challenges that come with being an institution in a minority setting.

Obstacles faced by these institutions were prioritized in the 2005-2010 action plan of the Association des universités de la francophonie canadienne.

Lack of students is a major problem for all French-language universities in a minority setting — and for good reason. Their recruitment pool is more limited than that of English-language institutions in the same locations.

Through adequate funding, they could explore the interesting opportunities offered by distance education and become the primary choice for immersion and international students, which would certainly help them to increase their potential enrolment.

Support for student and professor mobility is something else institutions count on to increase their presence in the international francophonie.

French-language universities outside Quebec are just as concerned about increasing their potential enrolment as developing their research capacity. Again, universities in

French-language minority settings are scarcely any better off, not necessarily because of language considerations, but because these institutions, except for the University of Ottawa, are small. These institutions are not known for having large research teams or always meeting the high criteria for getting the research budgets generously provided by the Government of Canada.

When he was the minister responsible for the Action Plan for Official Languages, Minister Dion maintained, and rightly so, that more needed to be known about official languages and official languages communities. This vital information should be provided by the researchers who, in his opinion, played a key role in implementing the action plan.

Mr. Dion's remarks are just as relevant today. Improving knowledge about minority communities and language policies and rights is vital and must be the responsibility of those most directly affected, that is, the institutions of these communities.

The vitality of post-secondary institutions in minority communities lies in broader recruitment, greater research capability, a greater openness to the world and effective use of new technologies. For many, myself included, the achievement of these objectives is dependent on the financial involvement of the federal government.

• (1540)

The reasons are twofold. In addition to their mandate to prepare the next generation to share — in French — in the country's future prosperity, these universities have a responsibility to help promote French and to revitalize francophone communities.

Government of Canada support has always been the cornerstone of the creation and development of the Frenchlanguage college and university networks.

French-language post-secondary institutions expect a lot from the federal government, especially since it has indicated its determination to take further action in connection with access to education with the Action Plan for Official Languages.

In her most recent report, the Commissioner of Official Languages reminds us, however, that the action plan "is not yet off the ground, particularly with respect to education and teaching."

It is vital that we take immediate action and give the universities direct access to the tools they need. Although education is a provincial responsibility, the federal government can use its spending power to address the needs of universities, without necessarily going through the provinces. Numerous precedents related to the official languages support this view. As Mr. Yves Fontaine, dean of the Université de Moncton and president of the Association des universités de la francophonie canadienne mentioned when he appeared before the Standing Committee on Official Languages, the federal government already directly supports universities through the Canadian Foundation for Innovation, the Atlantic Innovation Fund and even ACOA.

The Hon. the Speaker: Honourable senator, I am sorry but your time has expired. Do the honourable senators agree to grant leave for an additional five minutes?

Hon. Senators: Agreed.

Senator Tardif: The funds directly transferred from Health Canada to francophone communities and universities in order to improve health care programs are additional proof that it is possible for the federal government to conclude agreements directly with universities in a minority setting in order to facilitate access and reinforce their research capacity.

Honourable senators, the examples provided to date on the multiple facets of post-secondary education in Canada encourage action. Our ability as a nation to play a leading role in the new knowledge-based economy depends on the attention we pay to the diagnosis we have made here, which others outside this chamber support.

We cannot allow ourselves to sit idly by. I call upon the various levels of government to invest in our future and the welfare of our societies by making post-secondary education a national priority and by giving our post-secondary institutions the means to face these many challenges and fulfill their noble mission.

Hon. Rose-Marie Losier-Cool: Honourable senators, before I move adjournment of the debate, I should like to thank Senator Tardif warmly and sincerely for this fine speech. It is your first in the Senate, but your expertise shows through very clearly. You know your subject. Congratulations. You will get our rapt attention any time you give a speech like that one.

I know that Senators Callbeck and Moore will want to speak to this topic, so I move that the debate be adjourned.

On motion of Senator Losier-Cool, debate adjourned.

#### INTERNATIONAL DEVELOPMENT ASSISTANCE

MOTION URGING GOVERNMENT TO MEET COMMITMENT—DEBATED CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Andreychuk, seconded by the Honourable Senator Johnson:

That the Senate of Canada calls upon the Government of Canada to establish a specific timetable that will enable Canada to meet its longstanding commitment to provide 0.7 per cent of its Gross National Income as official international development assistance; and

That the Senate of Canada calls upon the Government of Canada to provide funds, within the budgetary process, to achieve this objective at latest by the year 2015, beginning, with an immediate 100 per cent increase in official development assistance in the next fiscal year.

—(Honourable Senator Corbin)

Hon. Eymard G. Corbin: Honourable senators, this motion is on its eleventh day on the Order Paper, and I do not want to wait until day 15 to speak, although I do not plan to keep you long.

The motion by Senator Andreychuk calls upon the government to set a timetable that will enable Canada to meet its longstanding commitment to provide 0.7 per cent of its gross national income as official international development assistance.

As a member of the Standing Senate Committee on Foreign Affairs, I have paid a great deal of attention to all those who have appeared before us since the decision was made to focus on the problems of Africa, which are very complex given, for one thing, the large number of countries that make up that continent.

During our deliberations I learned that there may be other ways to provide international aid than by using the magic formulas proposed from time to time. The testimony revealed that the world — when I talk about the world I mean the West, although some eastern countries also have the ability to contribute generously to international development — is possibly on the brink of finding new methods and we do not need to cling to the current formulas. I would not say those formulas are outdated, since the amount required from the federal government does, in fact, run into the billions of dollars. What is important is not the amount of money but the willingness to use a more direct and sectoral approach to the challenges of international development.

I have always wondered why the private sector — in Canada, I mean — has not supported the federal government more in providing this aid.

This happens in other countries. I believe it is in Holland that private enterprise works together with NGOs and the government on on-site development programs throughout the world. This is not really done in Canada or if so, then it is on a very small scale.

• (1550)

The money involved still belongs to the taxpayers. The money is anonymous in a way. It comes from the taxpayers, goes through the Government of Canada and ends up abroad. We know that some of this money is likely to be wasted or to disappear. The programs are not always well designed. They cannot count on continuity. The funds often fall into the hands of corrupt regimes and can end up in banks in Switzerland or Luxemburg or elsewhere. We do not have all the answers to the problem, but we do know that some money disappears.

A number of steps were taken recently. The latest one was the Blair Commission report. The Canadian Minister of Finance contributed substantially to this commission. Suggestions have come from many countries, which have expressed a new desire to approach the challenges of governance. I therefore believe that we should give further thought to this matter and involve the Canadian public more, specifically many Canadian companies operating abroad, in either Africa, South America, Central America, Asia or elsewhere.

There are Canadian companies operating on almost every continent. Most of them are working to extract the resources of the countries in which they operate. They pay various royalties to these countries and then they pocket the profits before they pull out. In general, they leave nothing behind, making no social and educational impact. They contribute almost nothing to training, skills and trades. In my opinion, Canada should break new ground with its partners in the private sector. NGOs have always heavily lobbied the government to change its approach, policies and the quality of its programs.

I believe that no one will fundamentally oppose the objectives set out in this motion. However, for some reason, it has never been possible to achieve them to our satisfaction. Before we pass this motion, I suggest that the government further consult Canadians and private enterprise to see if we can develop new kinds of partnerships that would benefit the countries with which we do business and whose resources we are exploiting. When I talk about the exploitation of resources, let there be no mistake. Canadian companies also tend to exploit human resources. Therein lies the problem, and it troubles me a great deal.

We must change how we do things in developing countries. We must innovate and become leaders in the field. We have been leaders in other areas such as international peacekeeping. We must rise to this special challenge; otherwise we will continue to spend billions of dollars in these countries, year after year.

This matter deserves our consideration, honourable senators.

[English]

Hon. Roméo Antonius Dallaire: Honourable senators, 80 per cent of humanity lives in inhuman conditions, in blood and mud and suffering, below any conceivable level of human respect and dignity. We have seen the expression of rage from that 80 per cent of humanity through terrorism and, as such, it has found its way into our realm of security and security concerns.

The subject of that 0.7 per cent of GDP has massive significance not only for the human beings who are suffering under conditions of underdevelopment but also, by extension, even for our own security. As such, I would like to propose the adjournment of the debate on this motion.

On motion of Senator Dallaire, debate adjourned.

#### CONFERENCE ON WOMEN'S RIGHTS

INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Losier-Cool calling the attention of the Senate to the Millennium Development Goals, more particularly to Goal number 3, seeking to promote gender equality and to empower women.—(Honourable Senator Fraser)

Hon. Joan Fraser: Honourable senators, it is my intention to speak to this inquiry on Tuesday afternoon, but that will be day 15 of the inquiry, and, as we all know, accidents can sometimes happen in Parliament. I ask the indulgence of the Senate to start the clock again today. I do intend to speak on Tuesday afternoon, but just in case of accidents, I would ask senators to agree to that.

Hon. Bill Rompkey (Deputy Leader of the Government): Just so that the record is clear, the debate stands adjourned in the name of Senator Fraser.

The Hon. the Speaker pro tempore: It is moved by the Honourable Senator Fraser, seconded by the Honourable Senator Rompkey, that further debate be adjourned for the balance of her time until the next sitting of the Senate. Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

On motion of Senator Fraser, debate adjourned.

#### BANKING, TRADE AND COMMERCE

COMMITTEE AUTHORIZED TO EXTEND DATE
OF FINAL REPORT ON STUDY OF ISSUES DEALING
WITH DEMOGRAPHIC CHANGE

Hon. Jerahmiel S. Grafstein, pursuant to notice of June 15, 2005, moved:

That, notwithstanding the Order of the Senate adopted on Tuesday, November 23, 2004, the Standing Senate Committee on Banking, Trade and Commerce, which was authorized to examine and report on issues dealing with the demographic change that will occur in Canada within the next two decades, be empowered to extend the date of presenting its final report from June 30, 2005 to December 31, 2005; and

That the Committee retain until March 31, 2006 all powers necessary to publicize its findings.

Motion agreed to.

COMMITTEE AUTHORIZED TO EXTEND DATE OF FINAL REPORT ON STUDY OF ISSUES DEALING WITH INTERPROVINCIAL BARRIERS TO TRADE

Hon. Jerahmiel S. Grafstein, pursuant to notice of June 15, 2005, moved:

That, notwithstanding the Order of the Senate adopted on Tuesday, November 23, 2004, the Standing Senate Committee on Banking, Trade and Commerce, which was authorized to examine and report on issues dealing with interprovincial barriers to trade, be empowered to extend the date of presenting its final report from June 30, 2005 to December 31, 2005; and

That the Committee retain until March 31, 2006 all powers necessary to publicize its findings.

Motion agreed to.

COMMITTEE AUTHORIZED TO EXTEND DATE OF FINAL REPORT ON STUDY OF CONSUMER ISSUES ARISING IN FINANCIAL SERVICES SECTOR

Hon. Jerahmiel S. Grafstein, pursuant to notice of June 15, 2005, moved:

That, notwithstanding the Order of the Senate adopted on Tuesday, November 16, 2004, the Standing Senate Committee on Banking, Trade and Commerce, which was authorized to examine and report on consumer issues arising in the financial services sector, be empowered to extend the date of presenting its final report from June 30, 2005 to November 30, 2005; and

That the Committee retain until December 31, 2005 all powers necessary to publicize its findings.

Motion agreed to.

• (1600)

[Translation]

#### **ADJOURNMENT**

Leave having been given to revert to Government Notices of Motions:

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That when the Senate adjourns today, it do stand adjourned until Monday, June 20, 2005, at 6 p.m., and that rule 13.1 be suspended in relation thereto.

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to.

The Senate adjourned until Monday, June 20, 2005, at 6 p.m.

## PROGRESS OF LEGISLATION THE SENATE OF CANADA

(indicates the status of a bill by showing the date on which each stage has been completed)

# (1st Session, 38th Parliament)

# Thursday, June 16, 2005

(\*Where royal assent is signified by written declaration, the Act is deemed to be assented to on the day on which the two Houses of Parliament have been notified of the declaration.)

# GOVERNMENT BILLS

(SENATE)

	Title	18t	2 <sup>nd</sup>	(SENALE) Committee	Report	Amend	3rd	R.A.	Chap.
A second Act to harmonize federathe civil law of the Province of Qu to amend certain Acts in order to each language version takes into the common law and the civil law	A second Act to harmonize federal law with the civil law of the Province of Quebec and to amend certain Acts in order to ensure that each language version takes into account the common law and the civil law	04/10/19	04/10/26	Legal and Constitutional Affairs	04/11/25	0 observations	04/12/02	04/12/15	25/04
An Act to implement a conventions and protoc between Canada and G Armenia, Oman and Aze avoidance of double tax prevention of fiscal evasion	An Act to implement an agreement, conventions and protocols concluded between Canada and Gabon, Ireland, Armenia, Oman and Azerbaijan for the avoidance of double taxation and the prevention of fiscal evasion	04/10/28	04/11/17	Banking, Trade and Commerce	04/11/25	0	04/12/08	05/03/23*	8/05
An Act to amend	An Act to amend the Statistics Act	04/11/02	05/02/02	Social Affairs, Science and Technology	05/03/07	0	05/04/20		
An Act to authorize the maintenance of a brancher River and Beauharnois Canal for completing Highway 30	An Act to authorize the construction and maintenance of a bridge over the St. Lawrence River and a bridge over the Beauharnois Canal for the purpose of completing Highway 30	05/05/12	05/06/07	Transport and Communications	05/06/16	0			
An Act to amen make conseque Acts	An Act to amend the Aeronautics Act and to make consequential amendments to other Acts	05/05/16	Bill withdrawn pursuant to Speaker's Ruling 05/06/14						
An Act to amend the Rough Diamonds Act	An Act to amend the Export and Import of Rough Diamonds Act	05/05/19	60/90/90	Energy, the Environment and Natural Resources	05/06/16	0			
An Act to amen Cultural Proper	An Act to amend the Criminal Code and the Cultural Property Export and Import Act	05/05/19	05/06/15	Foreign Affairs					
An Act respectinternational transfer regarding spirit	An Act respecting the implementation of international trade commitments by Canada regarding spirit drinks of foreign countries	05/05/31	05/06/15	Agriculture and Forestry				1	
An Act to amend the the Criminal Code, Information Registic Criminal Records Act	An Act to amend the National Defence Act, the Criminal Code, the Sex Offender Information Registration Act and the Criminal Records Act	05/06/07	05/06/15	Legal and Constitutional Affairs					
An Act to amend the Information Review Act	An Act to amend the Hazardous Materials Information Review Act	60/90/90							
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GOVERNMENT BILLS (HOUSE OF COMMONS)

	Tito	1st	2 <sup>nd</sup>	Committee	Report	Amend	3.0	R.A.	Chap.
An Act (protect	An Act to amend the Criminal Code (protection of children and other vulnerable nersons) and the Canada Evidence Act	05/06/14							
An Act the Car Nationa the Oce	An Act to amend the Canada Shipping Act, the Canada Shipping Act, 2001, the Canada National Marine Conservation Areas Act and the Oceans Act	05/03/21	05/04/14	Transport and Communications	02/06/09	0 observations			
An Act Internat and the Internat	An Act to implement the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Marters Specific to Aircraft Equipment	04/11/16	04/12/09	Transport and Communications	05/02/15	0	05/02/22	05/02/24	3/03
An Ac	An Act to provide financial assistance for nost-secondary education savings	04/12/07	04/12/08	Banking, Trade and Commerce	04/12/09	0 observations	04/12/13	04/12/15	26/04
An Acl Safety	An Act to establish the Department of Public Safety and Emergency Preparedness and to amend or repeal certain Acts	04/11/18	04/12/07	National Security and Defence	05/02/22	0	05/03/21	05/03/23*	10/05
An A Cana Cana	An Act to amend the Department of Canadian Heritage Act and the Parks Canada Agency Act and to make related amendments to other Acts	04/11/30	04/12/09	Energy, the Environment and Natural Resources	05/02/10	0	05/02/16	05/02/24*	5/05
An Ac Administ Public Language	An Act to amend the Financial Administration Act, the Canada School of Public Service Act and the Official Languages Act	05/03/07	05/03/21	National Finance	05/04/14	0	05/04/19	05/04/21*	15/05
An Deve Regid	An Act to establish the Economic Development Agency of Canada for the Regions of Quebec	05/06/02	02/06/08	National Finance	05/06/16	0			
An A diso	An Act to amend the Criminal Code (mental disorder) and to make consequential amendments to other Acts	05/02/08	05/02/22	Legal and Constitutional Affairs	05/05/12	0 observations	05/05/16	05/05/19*	22/05
An	An Act to prevent the introduction and spread of communicable diseases	05/02/10	02/03/09	Social Affairs, Science and Technology	05/04/12	2	05/04/14	05/05/13*	20/05
An A	An Act to amend the Criminal Code, the DNA Identification Act and the National Defence Act	05/05/12	05/05/16	Legal and Constitutional Affairs	05/05/18	0	05/05/19	05/05/19*	25/05
An A self- self- Tlich Terri to r Macl	An Act to give effect to a land claims and self-government agreement among the Tilcho, the Government of the Northwest Territories and the Government of Canada, to make related amendments to the Mackenzie Valley Resource Management Act and to make consequential amendments to other Acts	04/12/07	04/12/13	Aboriginal Peoples	05/02/10	0	05/02/10	05/02/15*	1/05
Con	An Act to amend the Migratory Birds Convention Act, 1994 and the Canadian Environmental Protection Act. 1999	04/12/14	05/02/02	Energy, the Environment and Natural Resources	05/05/17	0 observations	05/05/18	05/05/19*	23/05

N	Titlo	48f	puc	7			ord		
		-	7	Committee	подэх	Amend	3.5	K.A.	Chap.
C-18	An Act to amend the Telefilm Canada Act and another Act	04/12/13	05/02/23	Transport and Communications	05/03/22	0 observations	05/03/23	05/03/23*	14/05
C-20	An Act to provide for real property taxation powers of first nations, to create a First Nations Tax Commission, First Nations Financial Management Board, First Nations Finance Authority and First Nations Statistical Institute and to make consequential amendments to other Acts	04/12/13	05/02/16	Aboriginal Peoples	05/03/10	0	05/03/21	05/03/23*	9/05
C-22	An Act to establish the Department of Social Development and to amend and repeal certain related Acts	60/90/50							
C-23	An Act to establish the Department of Human Resources and Skills Development and to amend and repeal certain related Acts	05/06/02	05/06/14	Social Affairs, Science and Technology					
C-24	An Act to amend the Federal-Provincial Fiscal Arrangements Act and to make consequential amendments to other Acts (fiscal equalization payments to the provinces and funding to the territories)	05/02/16	05/02/22	National Finance	05/03/08	0	05/03/09	05/03/10*	2/05
C-26	An Act to establish the Canada Border Services Agency	05/06/14							
C-29	An Act to amend the Patent Act	05/02/15	05/03/07	Banking, Trade and Commerce	05/04/12	2	05/04/14	05/05/05*	18/05
C-30	An Act to amend the Parliament of Canada Act and the Salaries Act and to make consequential amendments to other Acts	05/04/13	05/04/14	National Finance	05/04/21	0	05/04/21	05/04/21*	16/05
C-33	A second Act to implement certain provisions of the budget tabled in Parliament on March 23, 2004	05/03/07	05/04/20	National Finance	05/05/03	0	05/05/10	05/05/13*	19/05
C-34	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 2, 2004-2005)	04/12/13	04/12/14		1	1	04/12/15	04/12/15	27/04
C-35	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 3, 2004-2005)	04/12/13	04/12/14				04/12/15	04/12/15	28/04
C-36	An Act to change the boundaries of the Acadie—Bathurst and Miramichi electoral districts	04/12/13	05/02/01	Legal and Constitutional Affairs	05/02/22	0 observations	05/02/23	05/02/24*	90/9
C-39	An Act to amend the Federal-Provincial Fiscal Arrangements Act and to enact An Act respecting the provision of funding for diagnostic and medical equipment	05/02/22	05/03/08	Social Affairs, Science and Technology	05/03/10	0	05/03/22	05/03/23*	11/05
C-40	An Act to amend the Canada Grain Act and the Canada Transportation Act	05/05/12	05/05/16	Agriculture and Forestry	05/05/18	0	05/05/19	05/05/19*	24/05

	- 14 1	48t	2nd	Committee	Report	Amend		¥.¥	2
C-41	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 4,	05/03/22	05/03/23				05/03/23	05/03/23*	12/05
C-42	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2006 (Appropriation Act No. 1, 2005-2006)	05/03/22	05/03/23			1	05/03/23	05/03/23*	13/05
C-43	An Act to implement certain provisions of the budget tabled in Parliament on February 23, 2005	05/06/16						400	240
C-45	An Act to provide services, assistance and compensation to or in respect of Canadian Forces members and veterans and to make amendments to certain Acts	05/05/10	05/05/10	National Finance	05/05/12	0	05/05/12	sı/sn/sn	21/02
C-56	An Act to give effect to the Labrador Inuit Land Claims Agreement and the Labrador Inuit Tax Treatment Agreement	05/06/16							
C-58	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2006 (Appropriation Act No. 2, 2005-2006)	05/06/15							
			COMM	COMMONS PUBLIC BILLS					
No.	Title	1st	2 <sup>nd</sup>	Committee	Report	Amend	3rd	R.A.	Chap.
C-259	An Act to amend the Excise Tax Act (elimination of excise tax on jewellery)	05/06/16						40000	4106
C-302		04/12/02	04/12/07	Legal and Constitutional Affairs	05/02/17	0 observations	05/02/22	05/02/24	4/03
C-304		04/12/02	04/12/07	Legal and Constitutional Affairs	05/02/17	0 observations	05/02/22	05/02/24*	2/02
			SENA	SENATE PUBLIC BILLS					
2	Title	1st	2 <sup>nd</sup>	Committee	Report	Amend	3rd	R.A.	Chap.
S-2	An Act to amend the Citizenship Act (Sen. Kinsella)	04/10/06	04/10/20	Social Affairs, Science and Technology	04/10/28	0	04/11/02	05/05/05*	17/05
S-3	An Act to amend the Official Languages Act (promotion of English and French) (Sen. Gauthier)	04/10/06	04/10/07	Official Languages	04/10/21	0	04/10/26		
40	An Act to amend the Marriage (Prohibited Degrees) Act and the Interpretation Act in order to affirm the meaning of marriage (Sen. Cools)	04/10/06	Dropped from Order Paper pursuant to Rule 27(3) 05/02/22						

No.	Title	18t	2nd	Committee	Renort	Amond	2rd	0	Chon
S-5	An Act to repeal legislation that has not come into force within ten years of receiving royal assent (Sen. Banks)	04/10/07	04/10/26	Transport and Communications (withdrawn) 04/10/28 Legal and Constitutional Affairs					
S-6	An Act to amend the Canada Transportation Act (running rights for carriage of grain) (Sen. Banks)	04/10/07							
2-5	An Act to amend the Supreme Court Act (references by Governor in Council) (Sen. Cools)	04/10/07	Dropped from Order Paper pursuant to Rule 27(3) 05/02/22						
ς, Θ	An Act to amend the Judges Act (Sen. Cools)	04/10/07	Dropped from Order Paper pursuant to Rule 27(3) 05/06/16						
o-S	An Act to amend the Copyright Act (Sen. Day)	04/10/07	04/10/20	Social Affairs, Science and Technology					
S-11	An Act to amend the Criminal Code (lottery schemes) (Sen. Lapointe)	04/10/19	04/10/26	Legal and Constitutional Affairs	05/04/12	2 observations	05/05/17		
S-12	An Act concerning personal watercraft in navigable waters (Sen. Spivak)	04/10/19	05/06/01	Energy, the Environment and Natural Resources					
S-13	An Act to amend the Constitution Act, 1867 and the Parliament of Canada Act (Speakership of the Senate) (Sen. Oliver)	04/10/19	04/11/17	Legal and Constitutional Affairs					
S-14	An Act to protect heritage lighthouses (Sen. Forrestall)	04/10/20	04/11/02	Social Affairs, Science and Technology	05/03/21	0	05/03/23	100	
S-15	An Act to prevent unsolicited messages on the Internet (Sen. Oliver)	04/10/20		Subject-matter 05/02/10 Transport and Communications					
S-16	An Act providing for the Crown's recognition of self-governing First Nations of Canada (Sen. St. Germain, P.C.)	04/10/27		Subject-matter 05/02/22 Aboriginal Peoples					
S-19	An Act to amend the Criminal Code (criminal interest rate) (Sen. Plamondon)	04/11/04	04/12/07	Banking, Trade and Commerce					
S-20	An Act to provide for increased transparency and objectivity in the selection of suitable individuals to be named to certain high public positions (Sen. Stratton)	04/11/30		Subject-matter 05/02/02 Legal and Constitutional Affairs					
S-21	An Act to amend the criminal Code (protection of children) (Sen. Hervieux-Payette, P.C.)	04/12/02	05/03/10	Legal and Constitutional Affairs					
S-22	An Act to amend the Canada Elections Act (mandatory voting) (Sen. Harb)	04/12/09							

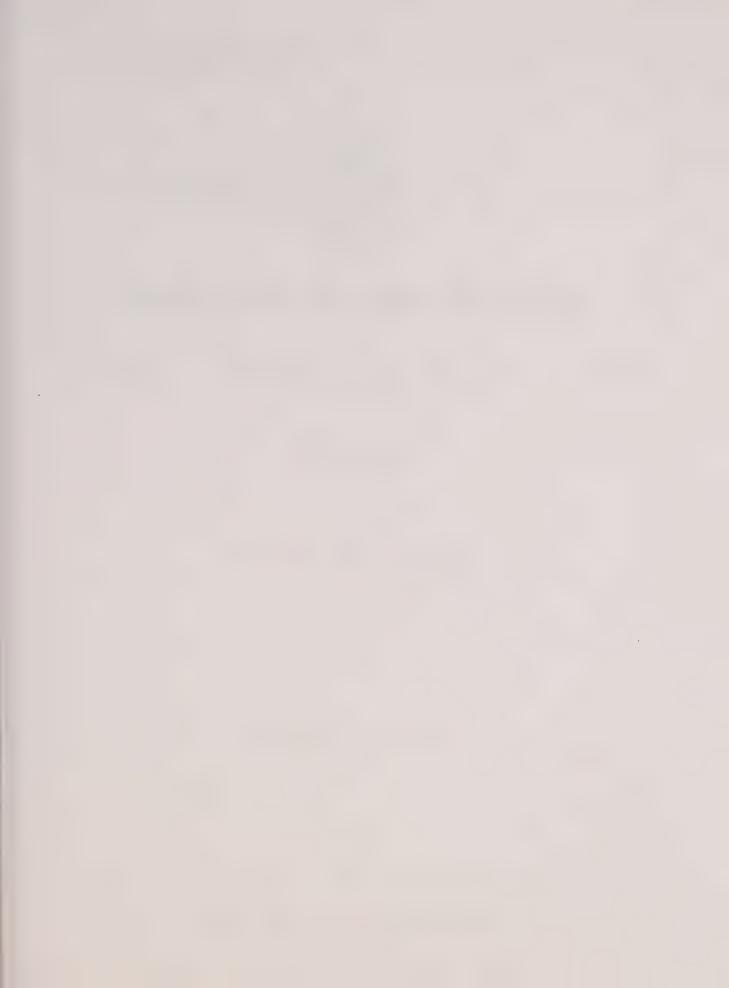
No.	Title	1st	2 <sup>nd</sup>	Committee	Report	Amend	200	K.A.	Carap.
S-23	An Act to amend the Royal Canadian Mounted Police Act (modernization of employment and labour relations) (Sen. Nolin)	05/02/01							
S-24	An Act to amend the Criminal Code (cruelty to animals) (Sen. Bryden)	05/02/03	05/03/10	Legal and Constitutional Affairs					
S-26	An Act to provide for a national cancer strategy (Sen. Forrestall)	05/02/16	05/06/01	Social Affairs, Science and Technology					
S-28	An Act to amend the Bankruptcy and Insolvency Act (student loan) (Sen. Moore)	05/03/23	05/06/01	Banking, Trade and Commerce					
S-29	An Act respecting a National Blood Donor Week (Sen. Mercer)	05/05/05	05/06/01	Social Affairs, Science and Technology					1
S-30	An Act to amend the Bankruptcy and Insolvency Act (RRSP and RESP) (Sen. Biron)	05/05/10							
S-32	An Act to amend the Marriage (Prohibited Degrees) Act and the Interpretation Act in order to affirm the meaning of marriage (Sen. Cools)	05/05/12							
S-34	An Act to amend the Department of Justice Act and the Supreme Court Act to remove certain doubts with respect to the constitutional role of the Attorney General of Canada and to clarify the constitutional relationship between the Attorney General of Canada and Parliament (Sen. Cools)	05/05/16							
S-35	An Act to amend the State Immunity Act and the Criminal Code (terrorist activity) (Sen. Tkachuk)	05/05/18							
ł				PRIVATE BILLS					
No.	Title	1st	2nd	Committee	Report	Amend	3rd	R.A.	Chap.
S-25	An Act to amend the Act of incorporation of The General Synod of the Anglican Church of Canada (Sen. Rompkey, P.C.)	05/02/10	05/03/23	Banking, Trade and Commerce	02/02/02	observations	05/05/10	05/05/19	
S-27	An Act respecting Scouts Canada (Sen. Di Nino)	05/02/17	05/04/19	Legal and Constitutional Affairs			1	!	!

#### **CONTENTS**

#### Thursday, June 16, 2005

PAGE	PAGE
Visitors in the Gallery The Hon. the Speaker	Finance Budget 2005—Removal of Business Tax Measures
	Hon. Marjory LeBreton1494Hon. Jack Austin1494
SENATORS' STATEMENTS	Canada-United States Relations North Dakota—Devils Lake Diversion—Initiation of Discussions.
Nova Scotia Sunenburg—Restoration of St. John's Anglican Church.  Hon. Wilfred P. Moore	Hon. Terry Stratton
fanitoba ranco-Manitoban School Division. Ion. Maria Chaput	Agriculture and Agri-Food Income Stabilization Program—Review of Administrative Aspects. Hon. Leonard J. Gustafson. 1495 Hon. Jack Austin 1495
	Delayed Answers to Oral Questions Hon. Bill Rompkey
ROUTINE PROCEEDINGS	Finance Budget 2005—Creation and Auditing of and Contributions
xport and Import of Rough Diamonds Act (Bill S-36) ill to Amend—Report of Committee. fon. Tommy Banks	to Foundations. Question by Senator Tkachuk. Hon. Bill Rompkey (Delayed Answers)
conomic Development Agency of Canada for the Regions of Quebec Bill (Bill C-9) eport of Committee. on. Joseph A. Day	Natural Resources  Nova Scotia and Newfoundland and Labrador— Splitting of Revenue-Sharing Agreement on Offshore Oil Revenues from Budget Implementation Bill.  Question by Senator Cochrane.
fighway 30 Completion Bridges Bill (Bill S-31) eport of Committee. on. Joan Fraser	Hon. Bill Rompkey (Delayed Answers)
abrador Inuit Land Claims Agreement Bill (Bill C-56) irst Reading	ORDERS OF THE DAY
xcise Tax Act (Bill C-259) ill to Amend—First Reading	Canada Border Services Agency Bill (Bill C-26) Second Reading—Debate Adjourned. Hon. Tommy Banks
UESTION PERIOD	The Senate Motion to Establish New Numbering System for Senate Bills Adopted. Hon. Bill Rompkey
atural Resources ew Brunswick— Refurbishing of Point Lepreau Nuclear 'ower Plant.	First Nations Government Recognition Bill (Bill S-16) Second Reading—Order Stands.
on. Noël A. Kinsella       1491         on. Jack Austin       1491	Hon. Terry Stratton
sheries and Oceans quaculture—Impact on Wild Salmon. on. Michael A. Meighen. on. Jack Austin. sappearance of Salmon Species in Upper Bay of Fundy. on. Gerald J. Comeau. 1492	Study on Operation of Official Languages Act and Relevant Regulations, Directives and Reports Interim Report of Official Languages Committee Tabled— Debate Adjourned. Hon. Eymard G. Corbin
On. Jack Austin	Hon. John Buchanan
blic Safety and Emergency Preparedness rearms Centre—Cost of Gun Registry.  David Tkachuk	National Security and Defence  Motion to Authorize Committee to Meet During Sitting of the Senate—Debate Continued.  Hon. Fernand Robichaud
Ilustry tategy for Automotive Sector.	Hon. Terry Stratton
on. Marjory LeBreton	Budget Implementation Bill, 2005 (Bill C-43) First Reading

PAGE	PAGE
State of Post-Secondary Education nquiry—Debate Continued. Hon. Claudette Tardif	Banking, Trade and Commerce Committee Authorized to Extend Date of Final Report on Study of Issues Dealing with Demographic Change. Hon. Jerahmiel S. Grafstein Committee Authorized to Extend Date of Final Report on Study of Issues Dealing with Interprovincial Barriers to Trade. Hon. Jerahmiel S. Grafstein Committee Authorized to Extend Date of Final Report on Study of Consumer Issues Arising in Financial Services Sector. Hon. Jerahmiel S. Grafstein 1508
Conference on Women's Rights Inquiry—Debate Continued. Hon. Joan Fraser	Adjournment Hon. Bill Rompkey





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Monday, June 20, 2005

THE HONOURABLE DANIEL HAYS SPEAKER

#### CONTENTS

(Daily index of proceedings appears at back of this issue).

Debates and Publications: Chambers Building, Room 943, Tel. 996-0193

#### THE SENATE

Monday, June 20, 2005

The Senate met at 6 p.m., the Speaker in the chair.

Prayers.

#### VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, before proceeding to Senators' Statements, I should like to draw your attention to the presence in our gallery of the members of the executive of the Labrador Inuit Association. With us are President William Anderson III, Vice-Presidents Zippora Nochasak and Ben Ponniuk, and their adviser, Mary Simon. They are the guests of Senator Rompkey.

Welcome to the Senate of Canada.

#### SENATORS' STATEMENTS

#### **BURMA**

#### DETENTION OF AUNG SAN SUU KYI

Hon. A. Raynell Andreychuk: Honourable senators, this past weekend, Aung San Suu Kyi, the Nobel Prize winner and Democratic Opposition Leader to the military junta in Burma, turned 60 years of age. Her detention of 3,523 days, exactly nine years and 230 days, was noted around the world.

In response to the Burmese military junta's extension of pro-democracy leader Aung San Suu Kyi's term of house arrest, this chamber called upon the Government of Canada last December to vigorously condemn the Burmese military junta's extension of the term. It asked the government to call upon Burma to introduce democratic reforms and to abide by its human rights obligations. Further, this chamber called upon the Government of Canada, as an international leader in the defence of human rights and democratic institutions, to make it an urgent priority to take action in the form of implementation of effective economic measures against the military regime; to increase diplomatic sanctions, including the exclusion of active participation of the Burmese military junta from trade and investment promotion in Canada; and to increase assistance to Burmese refugees in border regions of adjacent countries, as well as with those in need within Burma, through accountable, non-governmental organizations and UN agencies.

Further, this past month, the House of Commons passed a motion by a vote of 158 to 123, with the combined support of the NDP, the Conservatives, the Bloc Québécois and two independent members, calling for more comprehensive economic measures to be placed on Burma and a legal ban on further investments. It further urged Canada to use its influence at the United Nations and in the international community to encourage a peaceful transition to democracy.

The United States and the European Union have imposed sanctions on the Myanmar regime. Throughout the world, governments, citizens and organizations have shown their support and solidarity with Aung San Suu Kyi. It is important that the Government of Canada do so immediately.

#### FOREIGN AID TARGET

Hon. Donald H. Oliver: Honourable senators, from July 6 to July 8, the G8, a coalition of the world's leading industrialized nations, will meet in Perthshire, Scotland. Tony Blair, the host of this year's G8 summit, has said that "finding ways to increase international aid for Africa will be the primary focus of the meetings" — with specific reference to the recently released 453-page Commission for Africa report, which urges G8 countries to "spend 0.7 per cent of their annual income on aid to Africa with specific, measurable plans for meeting this target."

Honourable senators, on June 10, I spoke at the United Nations in New York as part of a special global panel entitled "Promoting Innovative Sources of Financing for Development." There, my message was the same as it is today: Canada can, and should, play a leadership role within the G8 by setting a concrete timetable to meet the goal of spending 0.7 per cent of our GNP on foreign aid by the year 2015.

Five countries — Denmark, Norway, Sweden, Luxembourg and the Netherlands — have already met the 0.7 per cent benchmark. France and Spain will reach 0.7 per cent by 2012. The United Kingdom plans to achieve it by 2013. Yet, on June 18, a feature story in *The Globe and Mail*, entitled "Goodale questions 0.7-per-cent commitments," quoted the Minister of Finance as being sceptical of the commitment of some European nations, namely France and Germany, to meet the international foreign aid targets included in the Committee for Africa's report, as Canada continues to face pressure to increase its efforts. The fact remains that, if other nations can meet the benchmark, why can Canada not meet it?

#### • (1810)

Honourable senators, with the recent Live 8 concert announcement in Barrie, Ontario, in anticipation of the G8 summit in Scotland, we are witnessing a unique mobilization of policy-makers, activists and world leaders all coming together for one goal: ending global poverty. Canada has an opportunity to realize this goal by honouring its commitment to the 2000 UN Millennium Development Goals of spending 0.7 per cent of our GNP on foreign aid.

Honourable senators, we are just 16 days away from the G8 summit in Scotland. In the weeks to come, the world will be watching Canada. Right now our government has the opportunity to act.

#### ROUTINE PROCEEDINGS

#### NATIONAL DEFENCE CANADIAN FORCES HOUSING AGENCY

2003-04 ANNUAL REPORT TABLED

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour to table the annual report for 2003-04 of the National Defence Canadian Forces Housing Agency.

#### SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO MEET DURING ADJOURNMENT AND SITTINGS OF THE SENATE

Hon. Michael Kirby: Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Standing Senate Committee on Social Affairs, Science and Technology be empowered, in accordance with rule 95(3)(a), to sit on July 5 and 6, 2005, during the traditional summer adjournment of 2005, even though the Senate may then be adjourned for a period exceeding one week, until such time as the Senate is ordered to return; and

That the Standing Senate Committee on Social Affairs, Science and Technology be authorized, notwithstanding rule 95(4), to sit on July 5 and 6, 2005, even though the Senate may then be sitting.

#### **QUESTION PERIOD**

#### INTERNATIONAL TRADE

SOFTWOOD LUMBER AGREEMENT—PAYMENT OF INDUSTRY LEGAL FEES—REQUEST FOR UPDATE

Hon. Gerry St. Germain: Honourable senators, my question is to the Leader of the Government in the Senate. The Canadian softwood lumber industry is paying crushing legal fees to protect Canada's interests at NAFTA and the WTO panels and has received little assistance from the government in paying those fees.

Last April, the Minister of International Trade announced \$20 million toward the industry's legal fees, but the industry has still not received the money. Will the Leader of the Government in the Senate please tell us, as senators and Canadians, what is going on with respect to this matter? It is a Western issue, sir, and a most important one.

Hon. Jack Austin (Leader of the Government): I will look into the matter expeditiously and report back, honourable senators.

Senator St. Germain: In the course of making those inquiries, could the Leader of the Government please ascertain where the Canadian government presently stands on the softwood lumber dispute itself, if he would be so kind?

Senator Austin: Honourable senators, with regard to the dispute itself, the Canadian government is pressing the U.S. Department of Commerce to accept the rulings of both the WTO and NAFTA panels. The U.S. Department of Commerce is awaiting the results of the extraordinary challenge that the United States launched with respect to the NAFTA rulings.

In the next two or three days, should further information come to light, I will provide that to Senator St. Germain.

Senator St. Germain: I have a short supplementary question, honourable senators. I hate to play region against region, but it seems to Western Canadians, which constituents Senator Austin and I represent that when an issue pertaining to Eastern Canada has to be resolved, it is dealt with more expeditiously than Western issues. In that respect a current issue has been brought to my attention, namely, support for industry in British Columbia. That has not been as forthcoming as it would have been had the issue been support for Bombardier or for the automotive industry. Although, to a degree, it is logical to support, say, the aerospace industry, it seems to me that, when issues affecting Western Canada require attention, such as softwood lumber and BSE, they take more time.

Can the leader explain why this perception exists or does he consider it to be merely a perception rather than a reality?

Senator Austin: Honourable senators, the premise is incorrect. As Senator St. Germain knows, the softwood lumber issue is one which affects all Canadian lumber producers, from the Maritimes to British Columbia. British Columbia, it is true, exports half of the softwood lumber produced in Canada, but the other half is produced in the rest of the country and is a significant factor in the economies of many provinces.

I know there has been a perception that past federal governments have not been properly interested in the support of British Columbia or even Western Canadian interests. However, speaking for this government, I think Senator St. Germain knows that this government has paid accelerated and appropriate attention to Western issues.

With respect to BSE, an issue that affects cattle exports from all of Canada, the government is, again, not discriminating by regions, nor should the government ever discriminate by regions, in this dispute with the United States. That applies to all disputes with the United States.

I would note that certain members of the Conservative Party have acquired amicus status before the federal court in Montana. Whether that action is felicitous or not, I cannot say; but I hope that the brief submitted is an excellent one.

Hon. A. Raynell Andreychuk: We will keep the leader up to date on the amicus status. Perhaps the government will change its position and work more closely at the state level, as well as at the Congress level, to ensure that those borders are opened.

#### CITIZENSHIP AND IMMIGRATION

#### DEPORTATION OF AMAN PRAKASH

Hon. A. Raynell Andreychuk: Honourable senators, I rise today. however, to ask about the status of Mr. Amman Prakash, who suffers from schizophrenia, and who, I understand, was under an imminent order to be deported today back to Fiji after spending 17 years in Canada. As we all know, mental health issues raise some difficulties in Canada, and that is even more so in certain other countries. While in Canada, Mr. Prakash has been subject to all of the processes, and I understand that he was to be deported from Canada today. A last-minute appeal by his counsel, if successful, would have allowed him to stay in Canada. The appeal included a request that the minister intervene on humanitarian grounds on the grounds that Mr. Prakash suffers from an illness. Most of his family is either here or in New Zealand. He has been in contact with his family members. His father, who was a resident of Canada, passed away in this country. His mother resides here, as do his siblings. Deporting him to where he has no close family ties and where there is no assurance that he would receive the treatment he needs would not be humanitarian, and it would certainly fall within the purview of the minister to intervene. Will the Leader of the Government in the Senate advise of the status of the case today?

• (1820)

Hon. Jack Austin (Leader of the Government): Honourable senators, I had heard nothing of this case until these representations by Senator Andreychuk. I will make inquiries tomorrow morning in an effort to learn what actions are being considered.

Senator Andreychuk: Honourable senators, Canada is a signatory to the Optional Protocol to the International Covenant on Civil and Political Rights, and the United Nations High Commissioner for Human Rights has received an application from Aman and Sabriti Prakash to have their case taken up in the Human Rights Committee. Rules 92 and 97 present two compelling reasons why Mr. Prakash should not be deported while the Human Rights Committee entertains this application. I understand that the government has received a letter from the Human Rights Committee requesting it to stop the deportation while the United Nations studies this issue. Will the government abide by this request from the UN Human Rights Committee?

Senator Austin: I will draw to the attention of the minister the additional information Senator Andreychuk has given the chamber.

Senator Andreychuk: Mr. Prakash is from British Columbia, where the work on this case has been done and from where the pleas on his behalf have emanated. When all other avenues were exhausted, family and counsel for Mr. Prakash appealed to a broader community in Canada and at the United Nations. Anything that the leader can do in conjunction with the Minister of Citizenship and Immigration would be appreciated by all.

**Senator Austin:** Honourable senators, as I have said, this is the first time this matter has been drawn to my attention. Therefore, I can only now begin to advance the cause.

# **VETERANS AFFAIRS**

# IDENTIFICATION OF VETERANS EXPOSED TO AGENT ORANGE AND AGENT PURPLE

Hon. Michael A. Meighen: Honourable senators, I wish to pursue with the Leader of the Government in the Senate a question dealing with the use of Agent Orange by American crews at Camp Gagetown. There was a report in the Hamilton Spectator on Saturday indicating that the Department of Veterans Affairs has admitted it is making no efforts to locate and notify those servicemen and servicewomen who might have been exposed to that deadly poison. The department is apparently also making no efforts to use its electronic database of failed disability claims to try to identify potential victims to have them reapply. In other words, no proactive measures are being taken by the Department of Veterans Affairs, which is rather sad in contrast to what the Americans are doing. The Americans are actively seeking out those who may have been exposed to Agent Orange during service in Vietnam and are taking a presumptive approach, which means that if those who served in Vietnam are suffering from a particular disease, it is presumed that it was caused by Agent Orange.

Would the Leader of the Government intervene with his colleague the Minister of Veterans Affairs to see whether we can encourage her department to take a more proactive approach to seeking out people who might have been exposed to this substance and to judge their cases on a presumptive basis, as our American colleagues are doing?

Hon. Jack Austin (Leader of the Government): Honourable senators, I have not seen the story, but I am surprised at the assertion that nothing is being done and that the department is not proactive. I have been advised that the department is determined to uncover the facts and to work with anyone who has been exposed to Agent Orange or Agent Purple as a result of what took place in the 1960s. I am also advised that the department is continuing its records search to ensure that they have all the information possible on the events that did take place and that this summer the department will test the soil, vegetation and water at CFB Gagetown to see whether there may be residual contamination. The department intends to make the results of all of this work public.

I hope that my report is more accurate than the one Senator Meighen has seen in the press.

Senator Meighen: The Leader of the Government might have taken a bit of licence with what I said. I did not suggest that nothing was being done. I suggested that the department could take a more proactive approach. Rather than waiting for people to come forward as a result of an invitation posted on the website, they might use the information they have at their disposal to actively search out and identity those who were in the area at the time and might well have been exposed. That is my point.

While the information the leader imparts is encouraging, I hope that he will use his influence once again, as he has obviously done successfully in the past, to encourage the Department of Veterans Affairs this time to proactively try to identify possible victims.

**Senator Austin:** I will make representations on behalf of both Senator Meighen and myself with respect to proactively searching out the condition of people who were on the base when tests took place.

Senator Meighen: Does that apply to civilians as well as to servicemen and women?

Senator Austin: Yes, honourable senators. "People" includes both civilians and servicemen and women.

# DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour of presenting two delayed answers. The first is in response to an oral question raised on June 8, 2005 by the Honourable Senator Cochrane regarding compensation to hepatitis C victims.

[Translation]

The second delayed answer is in response to an oral question raised on May 31, 2005 by the Honourable Senator LeBreton regarding the Privy Council Office and Mr. Guy McKenzie.

#### HEALTH

# COMPENSATION TO HEPATITIS C VICTIMS

(Response to question raised by Hon. Ethel Cochrane on June 8, 2005)

Discussions with legal counsel representing those infected began immediately after the Minister's November 2004 statement. The federal negotiator and his team last met with counsel for the pre-1986/post-1990 class on June 2 in Montreal. The next meeting is planned for August 18 in Edmonton. All parties have agreed that while discussions are ongoing, their substance will be kept between the parties involved. The issues are very complex, and there are many parties involved. That is why the Minister said at the time of the announcement that we can expect these discussions to be extended. This is a necessary part of exploring all available options to provide compensation and to reach a satisfactory conclusion.

The Courts which oversee the 1986-1990 Settlement Agreement are responsible for setting the timing of the sufficiency hearings of the 1986-1990 Settlement Fund. The judges responsible for the 1986-1990 Settlement Agreement have held initial meetings to determine the process to establish whether the Fund will be sufficient throughout its life and whether an actuarial surplus exists. Reports on the sufficiency of the Fund and the disease progression of the class members are required by the Courts to determine whether a surplus exists in the Settlement Fund. The Government of Canada will continue to ask that the hearings proceed as soon as possible, however it is the Courts that will determine the timing.

#### PRIVY COUNCIL OFFICE

COMMISSION OF INQUIRY INTO THE SPONSORSHIP PROGRAM AND ADVERTISING ACTIVITIES— STRATEGIC OFFICE FOR PREPARING GOVERNMENT RESPONSES

(Response to question raised by Hon. Marjory LeBreton on May 31, 2005)

As honourable senators are aware, the Coordination and Sponsorship Matters unit was set up to provide the support required of government by the Commission of Inquiry into the Sponsorship Program and Advertising Activities (the Commission) in the execution of its mandate, liaise with government counsel, coordinate the five departments involved, and coordinate preparation of submissions to the Commission.

A number of officials were considered for various positions related to the sponsorship coordinating group based, in particular, on having senior management experience in the Public Service and a background in law. Mr. Guy McKenzie was among these.

Ursula Menke was selected to lead the Coordination and Sponsorship Matters unit at PCO and began May 31, 2004.

Mr. McKenzie has never played a role in the office.

[English]

# ORDERS OF THE DAY

# **BUSINESS OF THE SENATE**

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I would like Orders of the Day to be called in the following order: Bill C-56, the Labrador Inuit land claims bill; the report of the Finance Committee on the Main Estimates; Bill C-58, the supply bill; Bill C-43, the budget bill; Bill C-2, child protection; Bill C-22, social development; Bill S-31, Highway 30; Bill S-36, rough diamonds; Bill C-26, border services; Bill S-40, hazardous materials; Bill C-3, the Coast Guard bill; and Bill C-9, Quebec economic development.

# LABRADOR INUIT LAND CLAIMS AGREEMENT BILL

#### SECOND READING

Hon. Bill Rompkey (Deputy Leader of the Government) moved second reading of Bill C-56, to give effect to the Labrador Inuit Land Claims Agreement and the Labrador Inuit Tax Treatment Agreement.

He said: Honourable senators, it is a great honour and pleasure for me to speak to this bill tonight, particularly with friends of mine in the gallery. I hope that more will be joining us later. Flights from Labrador are not as frequent as they are in some parts of the country and some people have been delayed.

This land claims agreement has been a long time coming. My first association with it was in 1972, when I was first elected to Parliament. I believe that is when members of the Labrador Inuit Association began to come to Ottawa, although the negotiations did not start until 1984. It is fair to say that only with the discovery of the Voisey's Bay nickel mine did the process speed up, when the company and both levels of government became well aware that without consent from the people who lived on that land and who had used that land there would be no nickel mine. That hastened negotiations quite considerably and brought us to where we are today, where the House of Commons has passed this bill in all stages and we are dealing with it tonight.

#### • (1830)

I wish to answer the question about who are the Labrador Inuit. There have been Inuit in Labrador for about 4,000 years. Various cultures have succeeded each other in Labrador for about 4,000 years. The present Inuit in Labrador are descendants of the Thule Inuit, who came there around 1300, roughly 700 years ago. The Labrador Inuit are part of the Inuit community around the pole. Honourable senators may be familiar with the Inuit Circumpolar Conference, where Inuit meet to discuss issues that are of importance to them, including the environment.

The Inuit of Labrador are the most southerly Inuit in the world. Nevertheless, they are very close to the Inuit of Nunavut, where Senator Adams comes from. I was very pleased to see Senator Adams and representatives of Nunavut at the signing of the agreement in Nain in December. There is an interaction between the two Inuit communities. Senator Adams has been successful in organizing a joint fishing venture whereby turbot quota will be caught and processed in Labrador jointly by the Nunavut Inuit and the Labrador Inuit.

Nunavut is our northern neighbour. There is not a lot of distance across the water from the northern tip of Labrador to the southern tip of Nunavut. The Labrador Inuit are also related to the Inuit in Senator Watt's area of Kuujjuaq. There was a joint effort at settling any claims to that area, and I believe an agreement in principle has been reached now with the Inuit in that area. There has been a relationship over the centuries, and Inuit from Labrador have travelled all across that Ungava Peninsula, because the Inuit know no boundaries. The governments drew a border between Labrador and Quebec, but the Inuit crossed that border, not knowing it was there, for years and used that territory long before. There was an intercourse between the Inuit of that area. There is also a relationship with the Greenland Inuit.

Honourable senators may know that Inuktitut is the universal Inuit language. There may be nuances, accents and idioms, but it is really no different from a Newfoundlander trying to be understood by an Australian — they both speak English, and if they work at it hard, they can understand each other.

There is also a relationship with Russia. We discovered to our surprise that the flag for one of the regions of Russia has the same colours as the Labrador flag. Unfortunately, I was not allowed to put a Labrador flag on my desk this evening, because it is not within the *Rules of the Senate*.

These are the Inuit of Labrador, who have been there for hundreds of years. They have used that territory, have occupied that land, and now have a land claims agreement.

The Bible says that the first shall be last and the last shall be first. Bill C-56 represents the last Inuit land claims agreement in Canada. It is also the first land claims agreement in the Atlantic provinces. Tonight, the Inuit of Labrador are both the first and the last. They are the last Inuit in Canada to have a land claim settled and they are the first Aboriginal people in the Atlantic provinces to have a land claim that includes self-government.

I hope this land claim will be a model. I want to credit Minister Scott for his work and the work of his department in this. Minister Scott said:

The agreement we have built with our partners is a landmark as the first modern-day treaty negotiated in Atlantic Canada. The enactment of this legislation will mean certainty over land use and title established in Labrador, opening up many opportunities for Inuit and non-Inuit residents. In addition, self-government provisions in the agreement ensure Labrador Inuit will play the key role in decision-making processes that will shape their future.

In reply to that, William Anderson, the President of the Labrador Inuit Association who is in the gallery tonight said:

Today's events signal opportunity and hope for future partnerships. Labrador Inuit look forward now to shaping our own destiny and participating in the business of building this country.

I wish to pay tribute also to the province and to Tom Rideout, the provincial minister, who is not with us tonight but who has been a friend of mine for a long time. I gave Mr. Rideout his first job. He was a Liberal then. I still hold out hope that one of these days he may return to the blessed fold.

Some Hon. Senators: Oh, oh.

Senator Rompkey: Mr. Rideout and I have been friends since the 1970s. I wish to pay tribute to him, as Minister Responsible for Aboriginal Affairs in the Government of Newfoundland and Labrador, for his effort in making this agreement a reality.

Long before the white man came, the Inuit occupied the land of Labrador and had self-government. Honourable senators, this is about reclaiming land and about reclaiming self-government. The first Europeans were the Vikings, who arrived in approximately AD 1000, but they did not stay very long. The first Europeans to come and stay for any length of time came in the 1400s. Perhaps the first were the Basque, but there is some debate about that.

The point, honourable senators, is that before the Europeans came to Labrador, the Inuit were on the land and they had self-government. They had their own religion, laws, customs and language. They were a distinct society. The bill before us is about reclaiming a position the Inuit had before the white man arrived. It is important to point that out.

This renewed relationship acknowledges the existence of other people. Europeans did arrive and nobody who lives in Labrador is going anywhere, because Labrador is home. There are people other than Aboriginal people who live in Labrador. The genius is that the Labrador Inuit have acknowledged that and worked out a partnership with the people who are there.

Honourable senators will see later on that those people who live in the communities within this land claim area are also part of the agreement. The non-Aboriginal people in the communities will be able to vote and to elect a certain portion of people to the local councils. Partnerships have been worked out with the province and the federal government to share jurisdictions. Some jurisdictions will be devolved; some will be shared. Mechanisms have been devised so that we do not ignore any level of government. The primary responsibility and benefit will be with the Labrador Inuit.

There will be two sister areas of land. One is called the Labrador Inuit Lands, or LIL, and the other is called the Labrador Inuit Settlement Area, or LISA. LIL is the smaller sister, consisting of 16,000 square kilometres. Basically, LIL is the land around the communities from Rigolet to Nain. There are five communities involved: Rigolet, Makkovik, Postville, Hopedale and Nain. In that 16,000 square kilometres, the Inuit will manage development.

**(1840)** 

They will make laws in a variety of areas, and they will plan for the future. William Andersen said that this bill is about hope, about managing their affairs and their own destiny. That underscores what this agreement is all about.

The second block of land is called LISA, that is, the Labrador Inuit Settlement Area. Archaeological and historical research have shown that this area has been occupied and used by the Labrador Inuit. In that land they will have harvesting rights and share in resource revenues. They will have a voice in development. There will be consultation. The act requires that both levels of government and any private developer must get agreement from the Labrador Inuit. They will participate in the management of wildlife.

There will be a government over all of that land, the government of Nunatsiavut, meaning "our beautiful land." The government will be elected by the people, and they will make laws for the Inuit communities, including the areas of land and resources, culture, education and social affairs. Up until now, the Inuit have had no control over these areas. For example, in education, which I probably know better than other areas, the control has been with a school board responsible to the government in St. John's. Now the Labrador Inuit will have control over education as well as these other areas. They will operate according to regulations and practices outlined in their own constitution, which was ratified three years ago by area voters.

As I mentioned, there will be five communities within that restricted area. They will have their own governments, which will be roughly similar to municipal governments. All residents,

Aboriginal or non-Aboriginal, can vote and run for office. I think the ratio is 75-25 between those who are members of the Labrador Inuit Association and those people in the community who are not.

It is worthwhile thinking about the fact that everyone has been involved in this effort. I do not know what happens in other areas. I do not know much about other land claims, but I know that the Labrador Inuit have said to everyone living in the community that they are all living together, so let us have a partnership. Let us share in government and in the benefits. The Labrador Inuit are to be commended in that regard.

All federal and provincial laws will continue to apply, and of course the Inuit will have the protection of the Charter.

To carry out the implementation of this plan, Canada will transfer to the Inuit \$140 million and then \$156 million over a period of 15 years for the implementation of the agreement. The contribution of the province has essentially been the transfer of land, so their contribution has been in kind rather than cash.

As part of this agreement and this bill, Torngat National Park will be created, the first national park in Labrador. If honourable senators get a chance to visit, please go. This is spectacular scenery. The fjords of Labrador rival the fjords of Norway in their beauty. The Torngat Mountains go up to around 6,000 feet at their highest peak. It is a beautiful, pristine and unspoiled area. Those senators who want to fish Arctic char and be assured of a catch, I can show you where to go. Please come and see Torngat National Park. A second park is being planned.

Those are the main elements of this bill.

The Inuit have brought credit to themselves, credit to the province and credit to this country. This agreement would not be here unless the Inuit worked at it. I want to tell honourable senators that they have acted wisely and carefully in negotiating outside the glare of the media. I cannot think of one instance where negotiations were carried on through the media. Now, sometimes they had to walk away from the table. Sometimes they were unhappy with the way negotiations were proceeding. Sometimes they could not accept what was on the table and they walked away, but they came back again. It was like Kenny Rogers' singing: "You got to know when to hold 'em, know when to fold 'em." They knew that. I want to give them credit for the amount of work they have put into this bill, the time they have sacrificed away from their families over all these years, the intellectual and physical effort of getting from one meeting to another and negotiating so well and carefully on behalf of their people.

To the province, the Inuit of Labrador have said that it is possible to control their own lives and their own future and yet be a participating partner in the province. That is a very strong message.

To Canada, the Inuit of Labrador have said that it is possible in this country to have new structures. It is possible not just to have provinces and not just to have cities, but there are other models that can work in this country. What we are seeing tonight is a model that can work. It is not a city or provincial model but is a model that can work. It is a model where people have a great deal of control over their own future and lives because they were prepared to be flexible and to share.

They have rights, and those rights are protected. They have yielded some but not all. They are prepared to put in place a new structure in which they can work with their partners in the harvesting of resources and in the planning of the future. This is a strong message to the province and a strong message to the country.

The Labrador Inuit have shown that they can hold, cherish and celebrate their own origins, cultures and values and still be Canadian, because they are Canadians in the full sense of the word.

When I was in Nain in December for the signing of the agreement, I brought to them a flag that had flown over the Peace Tower. I was able to present it to them on behalf of our legislature to their new legislature as a token of the relationship between us and the welcoming of a new parliamentary structure in Canada, a new model that can work.

Honourable senators, the Labrador Inuit are still very strong Canadians. I simply want to end by saying to them:

[Senator Rompkey spoke Inuttitut]

I do not know how many senators understood what I just said. Senator Adams understood it. I said, "Congratulations and good luck to the Labrador Inuit."

Hon. Ethel Cochrane: Honourable senators, before I begin my second reading speech concerning the proposed Labrador Inuit Land Claims Agreement Act, I would like permission to table a map of Labrador.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

The Hon. the Speaker: The map will be distributed as Senator Cochrane gives her speech.

Senator Cochrane: Honourable senators, I am pleased to speak today at second reading of Bill C-56, the Labrador Inuit Land Claims Agreement Act.

• (1850)

The Labrador Inuit Land Claims Agreement is the result of many years of negotiations between the federal government, the Government of Newfoundland and Labrador, and the Labrador Inuit Association. On behalf of all Conservative senators, including myself from Newfoundland and Labrador, I should like to congratulate the Labrador Inuit Association, all of their negotiators, and the Labrador Inuit as a whole for what they have achieved through this particular claim.

Honourable senators, over 5,000 Inuit people who call Labrador home live mainly in five communities — Senator Rompkey has spoken of that as well — namely, Nain, Rigolet, Makkovik, Hopedale and Postville, as well as in the Upper Lake Melville area. Although the Inuit people continue to lead a traditional lifestyle, they are also clearly focused on their future. The bill before us will bring into effect a land claim, resource

sharing, and self-government agreements that will allow the Labrador Inuit to shape their own identity by creating opportunities and addressing problems as they see fit.

This bill is historic, as it will give federal approval to the last land claims agreement for the Inuit people of Canada. The settlement of these four claims is a tremendous achievement, and one that every Canadian can be proud of.

As I said, this agreement was a long time in the making. The original claim was filed by the Labrador Inuit Association 30 years ago, in 1977. Active negotiations did not begin until another 10 years had passed. An agreement in principle was reached in 2001, and the negotiators initialled the final agreement less than two years later. The agreement was then ratified by the Inuit themselves. Just over a year ago, the agreement received 76 per cent support in a vote with an impressive participation rate of 86 per cent. Unbelievable!

At a signing ceremony in Nain on January 22 of this year, the agreement was formally approved by all three parties. Parliament's approval is the last step in this process, as provincial ratification has already taken place. I wish to congratulate Premier Danny Williams, the Government of Newfoundland and Labrador, and Tom Rideout, Minister Responsible for Aboriginal Affairs, for the swift adoption of the provincial legislation to give effect to this treaty. That legislation received unanimous consent and was passed through all stages in only one day last December.

Honourable senators, this treaty is especially significant in my province, as it is the first land claim and self-government agreement to be finalized in Newfoundland and Labrador. It has also allowed old wounds to heal, as the signing ceremony in January provided an opportunity for Premier Williams to offer a formal apology on behalf of the province for the forced relocation of two Inuit communities in the 1950s. The apology was accepted as a moment of recognition and truce, and it represented the turning of a page in the relationship between the province and the Inuit people.

Honourable senators, the land claim itself covers over 72,000 square kilometres of land in northern Labrador. Within this area, a smaller section of about 16,000 square kilometres will be under the direct ownership of our Inuit people. The area we are talking about represents about 2 per cent of Labrador's total land mass — which gives honourable senators an idea of the land mass of Labrador. The Inuit will have special rights related to traditional use in the larger land claim area, as well as within 44,000 square kilometres of the seacoast within Canada's territorial waters. These special rights include a guaranteed percentage of new commercial fishing licences and preferential harvesting rights.

The agreement creates a beautiful new national park encompassing the Torngat Mountains, which are found on the northern tip of the province. The Torngat Mountains National Park Reserve will be the first national park established in Labrador. It is beautiful, as Senator Rompkey said. This part of our country holds Arctic tundra, beautiful fiords, and mountains that are truly majestic, having been formed from some of the earth's oldest rock. I am particularly pleased that the agreement and this legislation will protect this area for the benefit of future generations.

Honourable senators, in 2002, the Labrador Inuit ratified their own constitution. That constitution clearly states that the Canadian Charter of Rights and Freedoms will apply to the Inuit governments and that each Inuit person has the same Charter rights that are enjoyed by every other Canadian citizen. The constitution will come into effect with this agreement, and it will establish a regional government in the Labrador Inuit lands. Self-government for the Labrador Inuit means that they will have control over such areas as health, education, social services and their culture. The regional government will also create a justice system for the oversight of Inuit laws. The government will also establish certain laws related to fishery and wildlife management, and will participate in joint management boards with representatives of the federal and provincial governments.

Municipal-style community governments will be created for each of the five Inuit communities. The interests of non-Inuit residents will be upheld in these communities, as relative newcomers who have lived in them since 1999 will hold up to 25 per cent of the seats on a community council. The interests of Inuit living outside of the larger settlement area will be represented by community corporations, which will feature an elected executive accountable to the residents of those regions. An enrolment register will be established to list the beneficiaries of the land claims agreement, and the register will be updated at least once a year.

This agreement provides all parties with finality and certainty respecting land and resource ownership. In exchange for the rights and benefits extended in the land claims agreement, the Labrador Inuit will cede and release all Aboriginal rights to Canada and Newfoundland and Labrador outside of the lands they will own, as well as Aboriginal rights related to subsurface resources. Within their own land, Aboriginal rights must be exercised consistent with this agreement.

Under this agreement, the federal government will transfer \$140 million to the Labrador Inuit over 15 years, as well as provide \$156 million for the implementation of the agreement and to establish self-government. The agreement lays out obligations placed on the Inuit, as they will repay their negotiation loans of about \$50 million over 15 years. The Inuit will also receive 25 per cent of the provincial government revenues from subsurface resource development. Any resource development in the Labrador Inuit lands will have to directly involve the regional Inuit government.

Honourable senators, one of the world's largest nickel deposits is located near the village of Voisey's Bay in northern Labrador. A section of the agreement states that the Voisey's Bay mining development area will not be part of the Inuit settlement area. However, their right to continue to hunt, fish and gather in the Voisey's Bay area is upheld, as long as it does not interfere with the construction or the operation of the project. A separate agreement with the Government of Newfoundland and Labrador signed in 2002 gives the Labrador Inuit Association 5 per cent of the provincial revenues from this project.

• (1900)

Clause 8 of Bill C-56 gives effect to the Labrador Inuit Tax Treatment Agreement, which is a separate agreement. The tax treatment agreement relates to the tax treatment of the regional

and community governments, corporations, and other entities of Inuit governments. They will continue to be subject to federal and provincial tax laws, but the regional Inuit government and the community government may make laws related to the direct taxation of Inuit on the lands that they will own. They may also establish laws that coordinate and harmonize taxation between the community governments.

Honourable senators, before closing, I would also like to take a moment to acknowledge the late Lawrence O'Brien, who represented Labrador in the other place for eight and a half years until his death last December.

An Hon. Senator: Good man.

Senator Cochrane: I totally agree, he was a good man.

During those years, he was a great supporter of this claim. He firmly believed that it will provide the Inuit people with strong economic growth and social development.

It is sad that Mr. O'Brien did not live to see the passage of this bill. The same is true for many of your Inuit elders, who I know and am certain are in the hearts and the minds of their loved ones as this agreement comes closer to fruition.

In recognition of the significance of the agreement, this bill received all-party support in the other place and was swiftly passed. As is our usual practice here in the Senate, Bill C-56 will receive careful consideration in committee before receiving third reading and final approval.

While the journey to arrive at this point has been a long one, the passage of this legislation will mark not an ending but a new beginning for all. I hope all honourable senators will join with me in wishing the Inuit people of Labrador good luck as they settle on their new path.

Hon. Gerry St. Germain: Honourable senators, I am pleased to make some brief remarks about Bill C-56. I have worked on several of these agreements involving various bands in Western Canada, and I am sure it will be a great day for those from Atlantic Canada, as it will be the first such agreement to be ratified in that region.

This bill will re-establish the Inuit's right to land and its resources. A comprehensive agreement codifies these rights and the relationship between the Inuit people's government and the provincial and federal governments. This agreement and the land claim is the culmination of 28 years of persistence and passion that the people of this area of Labrador have put into resolving their Aboriginal issues with the Crowns of Canada, and Newfoundland and Labrador. Many times in this place I have spoken about these delays. This is not a question of partisanship; this is a question of all governments in the last hundred years not dealing with the claims effectively and quickly.

The Labrador Inuit Association represents over 5,300 Labrador Inuit. Labrador Inuit live in northern Labrador and other parts of the province of Newfoundland and Labrador. This is, as has been pointed out, the last outstanding Inuit land claim agreement in

Canada. A comprehensive land claims agreement is a modern treaty that provides an Aboriginal group with clearly defined land, resources, and self-government rights, and these agreements receive constitutional protection.

The Labrador Inuit people claim Aboriginal rights and the title to territory in northern Labrador and northeastern Quebec. Until now, the Labrador Inuit had never signed a historic treaty with the British Crown nor a modern treaty or land claims agreement with the Government of Canada or the Government of Newfoundland and Labrador.

This agreement constitutes the final settlement of the Aboriginal rights of the Labrador Inuit. Certainly the land ownership and prudent management will provide a stable environment for economic development and investment, as well as contribute to the self-sufficiency of the Labrador Inuit in their economic, social, cultural, and political development.

The Labrador Inuit have created their own constitution that establishes two levels of government. Nunatsiavut government has jurisdiction primarily over Inuit at a regional level and five Inuit community governments. Nunatsiavut government may make laws to govern Inuit residents of Labrador, Inuit lands, and the Inuit communities in matters such as education, health, child and family services, and income support. It has jurisdiction over its internal affairs, Inuit languages and culture, and the management of Inuit rights and benefits under this agreement. As an Aboriginal person under section 35 of the protection of language and culture, I am keen to support our Aboriginal peoples and the future of our country.

The government may also establish a justice system for the administration of Inuit laws. The Labrador Inuit will continue to be eligible to receive federal and provincial programs and services. The agreement provides for the establishment of the Labrador Inuit settlement area totalling about 72,500 square kilometres in northern Labrador, including 15,800 square kilometres of Inuitowned lands known as Labrador Inuit lands.

The agreement also provides for the establishment of the Torngat Mountains National Park Reserve, as Senator Cochrane pointed out, consisting of about 9,600 square kilometres of land.

The Labrador Inuit Land Claim Agreement deals exclusively with the rights of the Labrador Inuit. They are clearly defined in the land claims agreement. They are the Inuit who have used and occupied the Labrador Inuit land claim area since before the arrival of the White man and who continue to use and occupy that area to this day.

The agreement states clearly that it does not affect the rights of any other Aboriginal peoples. To all of those who have worked for their land claim ratification, this means saying yes to the future. The ratification of this land claim will bring to an end a long period of uncertainty over land and water rights, development, and environmental responsibility.

Ratification will also mean stability. Clear jurisdiction will create a stable environment in which sustainable development can flourish, and Labrador Inuit are dedicated to the principle of sustainable development. Ratification will also mean the advancement of their people.

They say their land claim gives them the means to create long-term benefits and opportunities for Labrador Inuit. They especially want to create opportunities for their young people. They believe they have produced the best agreement that could be achieved. As William Anderson said, "Land claims settlements and self-government were always their core goals, and this statutory authority will empower the Inuit of Labrador to look forward, shape their destiny, and participate in the business of building their country."

In 1977, the Labrador Inuit Association filed a Statement of Claim with the Government of Canada entitled A Statement of Claim to Certain Rights in the Land and Sea-Ice in Northern Labrador. In 1990, a framework agreement was set for the land claim. In 2004, the Labrador Inuit ratified the negotiated land claim with self-government provisions and agreements with the support of 76.4 per cent of eligible voters with an 86 per cent turnout rate. Now, in June of 2005, Parliament is showing its full support for the Inuit people by providing the final endorsement on this agreement.

I can only speak for myself when I say that this has taken far too long at a cost that is far too much. This is why some of us are working on enabling legislation today, trying to expedite and mitigate the costs of these costly and timely negotiations.

The federal government ought not to have negotiated down Inuit's self-government rights and jurisdictions. However, the people themselves are satisfied, and soon they will shape their future and define their place in Canada in the beautiful land where Inuit people have lived for over 5,000 years.

This claim is one that my party and I are proud to support, and now it is the Senate's duty to support the swift passage of this legislation.

Honourable senators, we have done this in the past; we have done things in passing legislation that have deviated a little bit from tradition at times. I just hope that that kind of creativity will arise again.

Senator Sibbeston and I have worked on various pieces of legislation as members of the Aboriginal Peoples Committee, and hearings will begin tomorrow morning on this piece of legislation.

I hope I am not being presumptuous by saying this, but hopefully the people of Labrador will be able to control their own destiny, educate their people, and look to a future that is very bright.

• (1910)

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Rompkey, bill referred to the Standing Senate Committee on Aboriginal Peoples.

# THE ESTIMATES, 2005-06

FOURTH INTERIM REPORT OF NATIONAL FINANCE COMMITTEE ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Day, seconded by the Honourable Senator Dallaire, for the adoption of the thirteenth report (fourth interim) of the Standing Senate Committee on National Finance (2005-2006 Main Estimates), presented in the Senate on June 9, 2005.

Hon. Donald H. Oliver: Honourable senators, I should like to add a few remarks to those made respecting the fourth interim report on the estimates 2005-06. At the outset, I would commend Senator Day for his excellent presentation.

As you know, the Standing Senate Committee on National Finance has generally been interested in government spending as expressed in the estimates documents and related bills. As is customary with this committee, several meeting dates were set aside for the review of 2005-06 estimates. It has also become a convention in this place that the Senate does not proceed with an appropriation bill based on estimates until the Standing Senate Committee on National Finance has reported on its review of the estimates.

What is now before honourable senators is the fourth interim report on the 2005-06 estimates. The committee's examination began on March 9, 2005, when the Honourable Reg Alcock and officials from the Treasury Board Secretariat outlined and explained the main features of the 2005-06 estimates. They answered several questions at that time and provided written responses at a later date.

The details of the interim supply bill were made available for the committee's consideration before the end of March, 2005, and an interim report, the committee's sixth, was tabled in the Senate on March 2005. Since that date, the committee has continued its examination of the 2005-06 estimates.

While much of the committee's time this spring was taken up by the study of bills — this year we have already dealt with Bills C-8, C-24, C-30, C-33 and C-45 — senators on the committee were still able to examine several aspects of the government spending plans.

I will not take up much of your time, honourable senators, but I will draw to your attention at least two items in our report.

The Standing Senate Committee on National Finance's fourth interim report on the 2005-06 estimates is probably one of the shortest reports on the estimates ever prepared by this committee. However, do not be deceived, honourable senators, for although

brief, the report deals with two most important aspects of modern Canadian public service. The first concerns the Office of the Comptroller General of Canada and the second involves a new office within the Treasury Board Secretariat, set up to manage essential elements of the public service.

Honourable senators, Mr. Alcock told us on repeated occasions that the government is now implementing a number of new and exciting initiatives that will alter the way government is managed in the foreseeable future. In part, this will involve new practices such as the expenditure review exercise, improved oversight activities, and improvements in the process by which the government manages the public service. Great savings and operational efficiencies are expected from these initiatives.

Allow me to remind honourable senators that, on December 12, 2003, the government announced several initiatives to strengthen accountability and transparency in the public service. On March 9, 2005, I reminded the minister that one of the main areas that the Standing Senate Committee on National Finance considers how to increase accountability and transparency, that is, how information on government finances can be made available to all Canadians.

At that time, I was particularly interested in the major problem of the delay in the budget, the estimates and the supplementary estimates. My concern was whether the current process employed to develop estimates should be reformed to produce the kind of transparency and accountability that we would all like to see.

In response to my comments, the minister informed the committee that, within the Treasury Board Secretariat, there is a group that examines ways to improve the process of reporting to Parliament, and that he would like to discuss their work with our Senate National Finance Committee. He stated the following:

It would be interesting to engage you in that conversation because part of it is that it is always a dilemma, given the volumes of information available. How do you get from the high-level discussion you want right down to the specific question?

In the matter of defining accountability from ministers and deputy ministers, he stated, the following:

It would not hurt to have a serious conversation with this committee about what accountability looks like. It is easy to import concepts from other areas, but we might want to have a made-in-Canada solution.

A key element in that reorganization of the public service was to establish the Comptroller General of Canada as a distinct office of the Treasury Board Secretariat to ensure that expenditure plans are sound.

The government also directed that the Comptroller General be given functional authority over and be involved in the staffing of the comptroller positions in all departments and agencies. In turn, these departmental controllers are directed to sign off on all departmental spending proposals before they are submitted to cabinet for approval.

This represents a significant departure from previous staffing relationships in government departments in that a financial officer is not only accountable to his or her deputy minister, but also has significant accountability to a senior financial officer of another department.

On October 27, 2004, I was able to ask the Comptroller General, Mr. St-Jean, if he would be able to exercise any actual power over the departmental comptrollers. He assured me that he would and stated:

Firstly, any staffing action, nomination or withdrawal of such will have to be carried out with my agreement. This gives me a certain leverage with the various departmental comptrollers. Departmental comptrollers will have to communicate with their deputy minister, as the Prime Minister mentioned in his announcement, and so I will have functional control over them.

With respect to my question on internal audits, the Comptroller General stated the following:

The auditor would be appointed with the approval of the Comptroller General and the change of internal auditor would be done with the agreement of the Comptroller General also. This also gives the Comptroller General an important overview role to play as regards the exercise of the internal audit function.

Honourable senators, the National Finance Committee had an additional opportunity to examine in some detail the functioning of this new office when, on April 13, 2005, Mr. Charles-Antoine St-Jean, Comptroller General of Canada and his officials appeared before our committee. Senators asked numerous questions about these relationships that were newly created, first, that between the departmental comptrollers and the deputy ministers of their departments and, second, that between the departmental comptroller General's office.

In particular, senators were interested in determining the lines of accountability among the various senior public servants and how these responsibilities would function. The report that has been tabled in the Senate lists the responsibilities of the new Comptroller General and explains how he envisions his office operating in the future.

• (1920)

Mr. St-Jean was very forthcoming in his responses to senators' questions in our committee. However, allow me to state clearly that the Standing Senate Committee on National Finance has an ongoing interest in matters affecting government accountability and the transparency of government expenditures. Let me assure honourable senators that the committee intends to follow up on these discussions and that it is very likely that the Office of the Comptroller General will be invited again to appear before our committee.

As honourable senators may recall, the Senate National Finance Committee has an abiding interest in the way the government deals with its workforce. It is likely for this reason that this august chamber has already this spring asked this

committee to review Bill C-8, to amend the Financial Administration Act, the Canadian School of Public Service Act and the Official Languages Act. That review provided the committee with another opportunity to examine government spending plans.

On April 12, 2005, Mr. Jean-Claude Dumesnil, who is the Director General, Strategic Planning, Public Service Human Resources Management Agency of Canada, and other senior officials appeared before this committee to explain various aspects of Bill C-8. During the hearings, the committee was also able to obtain information on the planned activities of this new government agency.

As honourable senators are aware, the Public Service Human Resources Management Agency of Canada was created on December 12, 2003, to ensure that the government's agenda for the renewal of human resources management throughout the public service is carried out. The mandate of the agency is to provide the leadership and focus required to foster and sustain modern, results-driven human resource management across the public service. The agency is also expected to uphold the values of integrity, transparency and accountability.

The agency brings together units from the Treasury Board Secretariat and the Public Service Commission to focus on management issues such as — and these are the things this new agency is in charge of — learning and leadership development, official languages, employment equity, human resources planning, classification, values and ethics, and human resource systems.

Honourable senators will agree that these are all important elements of any public administration system. All of these matters have at one time or another been discussed during the proceedings of the National Finance Committee. For this reason, the committee has already decided to invite the senior officers of the Public Service Human Resources Management Agency to appear at a later date to discuss in greater detail many aspects of its planned expenditures for the fiscal year 2005-06.

The Hon. the Speaker: Are honourable senators ready for the question?

Hon. Senators: Question!

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to and report adopted.

### APPROPRIATION BILL NO. 2, 2005-06

SECOND READING—DEBATE ADJOURNED

Hon. Joseph A. Day moved second reading of Bill C-58, for granting to Her Majesty certain sums of money for the Public Service of Canada for the financial year ending March 31, 2006.

He said: Honourable senators, the bill that is presently before you is Appropriation Bill No. 2 for this fiscal year. It provides for the release of the remainder of the supply for fiscal 2005-06, as outlined in the Main Estimates.

Honourable senators will recall having received the Main Estimates, and honourable senators will recall as well that the Main Estimates were referred by the Senate to the Standing Senate Committee on National Finance. That committee will continue throughout the year to study the Main Estimates and will report periodically. The report just adopted is the fourth interim report based on our study of the Main Estimates.

Honourable senators, it may be helpful to have a bit of a refresher on terminology. Within the Public Accounts of Canada, there are budgetary and non-budgetary accounts reflected in the Main Estimates. Budgetary expenditures, as defined in the Main Estimates, "include the cost of servicing the public debt; operating and capital expenditures, transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations."

Non-budgetary expenditures are of a much smaller amount but are items that also affect the fiscal statement of the government. Non-budgetary expenditures would include loans and transfer payments the government is anticipating receiving back at some time in the future; as such, they impact on the statements of the government but are not budgetary in that sense. In these particular Main Estimates, the primary non-budgetary expenditures relate to the Canada Student Financial Assistance Act—transfers to students that the government is anticipating to receive back in due course.

There are also statutory and voted items. Statutory expenditures are those expenditures for which provision has been made in a statute. Statutory expenditures appear in the Main Estimates, but for information purposes only, and we are not voting on those today. The voted estimates are the ones that are in this particular bill, the supply bill.

The government submits estimates to Parliament in support of its request for authority to spend public funds. Main Estimates include information on both budgetary and non-budgetary — and I have just explained those.

At this time, I wish to like to thank all honourable senators who serve on the National Finance Committee for their faithful attendance and for their hard work in trying to understand and follow the committee's work. They are group of individuals who are engaged and interested in the committee's work; the meetings tend to be lively and informative.

Minister Alcock has appeared before us on several occasions and has been alluded to by our chairman. Mr. Alcock has indicated that he is open to dealing with the issue of trying to make these documents more understandable. It is very difficult for us to relate different line items in different departments. One of the steps being taken in Part I of the Main Estimates is to organize the proposed expenditures of the government in such a way as to make it easier to understand.

An example of that is program spending by sector. There are 11 sectors and one catch-all sector not found in any of the other 11. One of the sectors, as an example of a sector, is social program major transfers; another sector is security and public safety; and another is international and defence programs.

Just by example, so honourable senators will understand the progress that is being made by your committee in working with the Treasury Board Secretariat, we could look at one of the sectors, the sector being the first sector that I had referred to, which is social programs. There is a listing of the expenditures and then there is an explanation. As presented in these Main Estimates, spending in special programs for 2005-06 is estimated at \$83.2 billion, which represents by far the largest component of total program spending — 44.8 per cent of government program spending.

• (1930)

Of the \$83.2 billion, \$17.8 billion, or 21.4 per cent, will be for direct program spending, and \$65 billion, or 78.6 per cent, is for transfer payments to the provinces and to other levels of government for social programs. That kind of detail helps us to understand in a more precise and clear way the activities of the government.

Another item that I want to bring to the attention of honourable senators is in the area of budgetary Main Estimates. For this particular year, there is a list of transfer payments versus government expenditures for operations and capital expenditures. Various transfer payments would be in the areas of health transfers, social transfers, transfers to various levels of government, equalization, for example, youth allowance and that type of transfer. In addition, there are direct transfers such as Employment Insurance and elderly benefits. Out of a total of \$185 billion, the amount of government expenditure by way of transfers is \$101 billion. Out of the balance of that amount, the public debt charge is \$36 billion. That indicates how much money is left for the government to implement its policies and to operate government — \$43 billion out of \$185 billion.

Honourable senators will recall in the report that has just been adopted that we discussed the Main Estimates in some detail with the Treasury Board Secretariat officials who appeared before us on March 9. The Main Estimates, which include budgetary and non-budgetary provisions, is \$187.6 billion, of which \$185.9 billion is budgetary expenditure and \$1.7 billion is non-budgetary expenditure. Both budgetary and non-budgetary expenditures may be authorized through one of two ways: by appropriation, which is voted, or by statutory means. For 2005-06, appropriated or voted items amount to \$66.1 billion, or 35 per cent of the Main Estimates. Statutory items account for 65 per cent, so it is a smaller amount that we are voting on. Of this \$66 billion that are voted or authorized through appropriation bills in the 2005-06 Main Estimates, authority to spend \$20.5 billion was provided in March. Honourable senators will recall that, just before the end of fiscal year, we presented interim financing requests. That is Appropriation Bill No. 1. As I say, \$20 billion has already been authorized; therefore, the balance of this fiscal year, subject to any supplementary estimates that may be forthcoming as a result of the budget that was presented earlier this year, is \$45.6 billion, all of which is properly documented in the bill. At this time, we are asking honourable senators to approve \$45.6 billion. I respectfully request support for this supply bill.

Hon. Pierrette Ringuette: I have a question for the honourable senator. Could he please give us the numbers for the Atlantic Canada Opportunities Agency, ACOA?

An Hon. Senator: Divided by province.

**Senator Day:** If the honourable senator has the page in this document of some 400 pages that she could refer me to, I would be pleased to confirm it for her.

**Senator Ringuette:** I thought I was asking my honourable colleague a question.

Senator Day: Honourable senators, I have been able to find the page. The figure of \$78 million for 2005-06 operating expenditures for the Atlantic Canada Opportunities Agency appears at page 3-2; grants and contributions, \$350 million; Minister of Atlantic Canada Opportunities Agency, salary and motor car allowance, \$70,000; contributions to employees' benefits, \$8.9 million; total department, \$437.9 million. There is then a breakdown for Enterprise Cape Breton Corporation of \$8.6 million.

Senator Ringuette: I suppose the numbers that the honourable senator indicates would include program delivery that is national in scope. I would mention programs like the Community Futures Program, the federal-provincial cooperative agreements, the Canadian Fisheries Adjustment and Restructuring Initiative, the Infrastructure Canada Program and other statutory transfer payments. Would they be included in the number that was just stated?

Senator Day: Some national programs are delivered through the Atlantic Canada Opportunities Agency, while others are delivered on a province-by-province basis. They would not be delivered by ACOA but rather through some other mechanism.

In order to answer that question precisely, one would have to analyze each of the statutes and the national programs. That information is not given in that kind of detail here for the Atlantic Canada Opportunities Agency.

Senator Ringuette: I thank my honourable colleague for the answer he has provided, not only for me but for all senators here. He has acknowledged that the numbers stated do include federal-provincial agreements, do include the national infrastructure program, do include many other different programs that, by mandate, ACOA was asked to deliver in the Atlantic provinces.

I would also like to state that none of these programs nor the mandate of ACOA include any provisions in regard to transport. Is that correct, honourable senator?

Senator Day: My understanding is not different from that of my honourable friend. I would point out to honourable senators that Honourable Senator Ringuette is a member of our committee. The committee remains seized of this particular document and may decide to pursue other precise questions.

On motion of Senator Oliver, debate adjourned.

• (1940)

# **BUDGET IMPLEMENTATION BILL, 2005**

# SECOND READING—DEBATE ADJOURNED

**Hon. Art Eggleton** moved second reading of Bill C-43, to implement certain provisions of the budget tabled in Parliament on February 23, 2005.

He said: Honourable senators, this is the first occasion I have had to rise to speak in this place.

Hon. Senators: Hear, hear!

Senator Eggleton: I listened to the inaugural remarks of a number of those who came to this place on the same date that I did, noticing that they wax eloquently about the province or the community from which they hail. I decided that, this evening, I would spare you a speech on how wonderful Toronto is and that, instead, I would extol the virtues of the budget.

Honourable senators will no doubt recall that the Minister of Finance, in his speech introducing Budget 2005, outlined how this government has delivered on its commitments to the Canadian people. Indeed, delivering on our commitments begins with an unrelenting dedication to sound financial management, to balanced budgets or better year after year. This is not just good economic management, this is good common sense.

It is this good management that has allowed the government to deliver a budget such as this one, a budget that delivers on commitments. As the minister said in his speech, good management "creates the discipline of pay as you go, not spend as you like." It also underlines the importance of the decisions that we make today. We do not want them to become the debts of tomorrow.

In that spirit, for 2004-05, Canada will record its eighth consecutive balanced budget. This is the longest unbroken string of surpluses since Confederation, and we have every expectation that it will continue. That is what responsible fiscal management has done.

Senator Stratton: It is called taxing Canadians too much.

Senator Eggleton: We plan to keep the books solidly in the black. Part of that plan is to set aside an annual contingency reserve of \$3 billion, and we will continue to build further economic prudence into our budget planning on top of that. If that prudence proves to be unnecessary to keep us in balance, it will be invested in the programs and services that Canadians have identified as their priorities. Moreover, if the contingency reserve is not needed to deal with unforeseen events, as has been the case in the past, it will be used to reduce the debt.

Speaking of debt reduction, this is not something we say for a favourable sound bite on the eleven o'clock news. Quite simply, it is the right thing to do.

#### [Translation]

We insist on reducing the debt because doing so is advantageous to all Canadians. This will allow us to ease the burden for generations to come and will save us billions of dollars in debt servicing. Since 1997-98, we have reduced the federal debt by over \$60 billion, which has saved Canadians more than \$3 billion a year in interest.

#### [English]

That is real money that we can use to help build a strong future for Canada. Of course, a commitment to sound financial management is never easy and it is never over. To further our objective of ensuring good fiscal management, the Government of Canada created a cabinet committee on expenditure review. Its objective is to ensure that every dollar spent is a dollar well spent.

The expenditure review process has already identified nearly \$11 billion of savings. Honourable senators, these savings are incorporated in Budget 2005 and in Bill C-43. Let us take a moment to look at some of the important measures proposed in the budget that are contained within the bill.

First, I should like to address the personal income tax relief contained in the bill. Bill C-43 builds on our long tradition of providing tax relief to Canadians. As soon as we eliminated the deficit, the Government of Canada started introducing broadbased personal income tax relief. For example, in 1998 and 1999, we eliminated the 3 per cent surtax, increased the basic personal amount and increased the National Child Tax Benefit. In 2000, we introduced a \$100 billion five-year tax reduction plan, which reduced federal personal income taxes by 21 per cent on average and 27 per cent for families with children. In 2003, we announced further increases in the National Child Benefit Supplement for low-income families with children.

Our bill proposes to increase the basic personal amount so that all Canadians earning up to \$10,000 will pay no federal income tax, not one cent. Honourable senators, while this will benefit all taxpayers, most of this tax relief will go to those earning less than \$60,000 a year. Furthermore, it will remove \$60,000 low-income Canadians from the tax rolls, including almost 250,000 senior citizens.

This government is also committed to providing tax relief to Canadian businesses. We have been clear that we will enact all the corporate income tax reductions that were originally proposed in Bill C-43. This is important. The government will introduce separate legislation to do so at the earliest possible time.

Next, Budget 2005 improves the tax treatment of savings by increasing the pension and RRSP limits. The RRSP annual dollar contribution limit will be increased to \$22,000 by 2010, with corresponding increases in the limits of employer-sponsored registered pension plans. The pension and RRSP limits will be indexed to average wage growth thereafter.

Increasing pension and RRSP limits will better meet the retirement savings needs of Canadians, including entrepreneurs, the self-employed and small business owners. Higher limits will also assist employers in providing competitive compensation

packages to attract and retain skilled workers and encourage savings to support investment, productivity and economic growth.

As well, to expand retirement saving investment and diversification opportunities for Canadians, this bill proposes to remove the 30 per cent limit on foreign property held in RRSPs and pension plans.

Honourable senators, a fair tax system helps remove barriers to participation in the economy and society. This government continues to look for ways to improve the fairness of our tax system for persons with disabilities, who face unique costs and thus have a reduced ability to pay tax. Budget 2005 makes the tax system fair by acting on the recommendations of the Technical Advisory Committee on Tax Measures for Persons with Disabilities. More specifically, based on one of the committee's recommendations, this bill proposes to increase the maximum annual child disability benefit to \$2,000 from \$1,681 per child beginning in July.

#### • (1950)

Bill C-43 also proposes to increase the maximum amount of the refundable medical expense supplement to \$750 per year. This is not all that we are doing for persons with disabilities. Budget 2005 contains other measures responding to the Technical Advisory Committee's recommendations that will be included in a bill that will be tabled at a later date.

Honourable senators, Canada has come a long way in building a prosperous and inclusive society where all Canadians have opportunities to develop the skills and the knowledge that enable them to contribute to society and to the economy. However, we cannot forget our future generations. We must do whatever we can to give them a solid foundation so that they can get the ber's physical, emotional, social, linguistic and intellectual development, setting them on a path of lifelong achievement. That is why Budget 2005 delivers on the Government of Canada's commitment of \$5 billion over five years in support of early learning and child care.

# Hon. Senators: Hear, hear!

Senator Eggleton: Of this \$5-billion commitment, the Government of Canada will devote \$100 million to First Nations on reserve, continuing to work in partnership with them to find practical solutions that address on-reserve early learning and child care needs.

We are working with the provinces, territories and stakeholders to develop a long-term vision with measurable goals based on shared principles. Discussion with provincial and territorial ministers and stakeholders are ongoing, and significant progress has been made in the development of new early learning and child care initiatives anticipated in the course of this year. Already, honourable senators, agreements in principle have been reached with Manitoba, Ontario, Saskatchewan, Nova Scotia and Newfoundland and Labrador.

In the interim, Bill C-43 proposes to create a \$700-million, third-party trust. All provinces and territories will have the flexibility to draw down funds up to March 31, 2006. Once this bill receives Royal Assent, provinces and territories will be able to start making improvements and expansions, without delay, in programs and services related to early learning and child care.

This shared initiative for Canada's children is one of the best investments that governments can make in the social and economic fabric of this country.

#### Hon. Senators: Hear, hear!

Senator Eggleton: Honourable senators, Canada's support for seniors is one of the major success stories of government policy in the post-war era. At the same time, it is an area facing new challenges resulting from the longer and more vigorous lives of seniors.

#### [Translation]

Budget 2005 respects the government's commitment to address the evolving needs of seniors. It makes significant investments across a wide range of policies that matter to seniors from health care to income security programs, from retirement savings to assistance for people with disabilities as well as their caregivers, to support for voluntary sector activities by and for seniors.

# [English]

A key focus for this government is to help low-income seniors. That is why we have the Guaranteed Income Supplement. This program provides low-income seniors with a fully indexed benefit that ensures they receive a basic level of income throughout their retirement years. Bill C-43 will increase the GIS payments by \$2.7 billion over five years, with improvements coming into place as early as next January.

The maximum GIS will increase by more than \$400 per year for a single senior and almost \$700 a year for a couple. This increase significantly exceeds the commitment of \$1.5 million over that period, and will benefit 1.6 million seniors, many of whom are women.

Honourable senators, the measures in this bill will leave more money in Canadian pockets. We have done that with tax cuts. We have done that with tax relief for persons with disabilities. We have done that with help for seniors, and we have done that with the eleventh consecutive annual reduction in Employment Insurance premiums last December.

With respect to EI premiums, Bill C-43 delivers on the government's commitment to put in place a new permanent EI rate-setting mechanism based on principles outlined in the 2003 budget and reconfirmed in 2004. Those principles are: Premium rates should be set transparently; premium rates should be set on the basis of independent expert advice; expected premium revenues should correspond to expected program costs; premium rate setting should mitigate impact on the business cycle; and premium rates should be relatively stable over time.

The bottom line is that proposals in this bill will help Canadian workers to compete and succeed in the increasingly competitive global economy with the knowledge that, should they stumble, the EI system will be there to get them back in the race.

This government recognizes that a healthy environment and healthy communities are key factors in a healthy economy. The objective of the government's environmental initiatives is to have the most impact where it matters most — in the places Canadians live, work and play. That is why, building on current financial support for infrastructure programs, the budget delivers on the commitment to share a portion of the revenues from the federal gas tax with municipalities to assist them with their sustainable infrastructure needs.

Bill C-43 proposes to provide \$300 million in new federal support for Green Municipal Funds to encourage the development of more local environmental projects. Half of that new funding through the Green Municipal Funds will be dedicated to the remediation of brownfield sites which, you may recall, are abandoned sites where environmental contamination exists. I know that we could use that in Toronto.

Budget 2005 establishes the framework for making environmental investments. For example, the budget also introduces a \$5-billion package of measures over five years to support a sustainable environment. One of the measures in Bill C-43 is a proposal to set up a new agency under Environment Canada to manage the \$1-billion Climate Fund that will provide market-based incentives for the reduction and removal of greenhouse gases.

As well, this bill proposes to establish a technology investment fund. This fund will provide companies regulated under the proposed large final emitter regime with a compliance mechanism that encourages investments in greenhouse gas mitigation research and development with the potential for long-term transformative change.

Honourable senators, this bill provides for Canada's cities and communities. They are, as the Minister of Finance said, engines of growth, employment and innovation, as well as centres of art, culture and learning. This is where we live; this is where we raise our children.

These are the exact reasons that Budget 2005 delivered on the Government of Canada's commitment of \$5 billion over the next five years. This commitment is in addition to the GST rebate already flowing to municipalities and in addition to our current infrastructure programs.

Bill C-43 delivers the first step on the new deal and proposes an initial expenditure of \$600 million. This is \$200 million more than promised for the first year of this program. As well, we are currently negotiating with our provincial and territorial partners. Already agreements have been signed with British Columbia, Alberta, Ontario and the Yukon.

While this bill legislates numerous initiatives in the budget, there are other important elements in the budget such as those related to health care, defence and Aboriginal peoples.

(2000)

Health care will benefit from the plan that the Prime Minister signed with the provincial and territorial leaders that will deliver \$41.3 billion over the next 10 years in new federal funding.

The Department of National Defence — a department in which I have a particular interest — will receive \$13 billion over the next five years to expand regular troops and reserves; to address sustainability issues; to buy new equipment such as helicopters, utility aircraft, military trucks and provide money to support new capabilities.

The budget announced the creation of the Canada Aboriginal Peoples Round Table, as well as investments in First Nations housing on reserves, early learning and child care, special education, Aboriginal languages and culture.

In conclusion, honourable senators, this government has delivered on its commitments to address the priorities of Canadians. Time does not permit me to outline all of the measures in Bill C-43 nor all of the measures in the budget. Let us just look again at the ones I have mentioned today: personal income tax cuts, tax relief for persons with disabilities, early learning and child care, income assistance for seniors, a new transparent EI rate-setting mechanism; and this bill does much more. This bill does this within a disciplined fiscal framework with a commitment to continue balanced budgets.

The Prime Minister put it best in a recent speech where he said that he believes in a Canada that keeps its economy strong, keeps unemployment low, and protects its prosperity by refusing to go back into deficit. It is with an approach like this that Canada will be strong as it meets the future. This is the Canada that we are working towards.

It is for these reasons, honourable senators, that I encourage all of you to give this bill your support.

Some Hon. Senators: Hear, hear!

Hon. Donald H. Oliver: Honourable senators, I congratulate the honourable senator on his maiden speech in this chamber. He did an excellent job.

Honourable senators, we have before us a massive omnibus bill of some 23 separate parts. Bill C-43 ought to have come before us in at least three or more separate bills, one to deal with the budget measures per se, one to implement the offshore agreements that were not mentioned by my learned colleague and one to provide the legal framework for the government's Kyoto plan.

Before I begin my formal remarks, I wish to say a few words about the purpose of the budget, the Main Estimates, the supplementary estimates and the function these documents serve within our parliamentary system.

Usually introduced in February or March, the federal budget presents the government's fiscal plan for the coming year, introducing new spending initiatives and any proposals for change in taxation.

The Main Estimates provide Parliament with a detailed listing of the resources required by individual departments and agencies for the upcoming fiscal year in order to deliver the programs for which they are responsible. This document identifies the spending authorities, called votes, and the amounts to be included in subsequent appropriation bills that Parliament will be asked to approve to enable the government to proceed with its spending plans. The estimates, along with the Minister of Finance's budget and economic and fiscal update, reflect the government's annual budget planning and resource allocation priorities.

Each year, the government prepares estimates in support of its request to Parliament for authority to spend public funds. This request is formalized through the tabling of appropriation bills in Parliament. The President of the Treasury Board tables supplementary estimates in the late fall and spring to obtain the authority of Parliament to adjust the government's expenditure plan as reflected in the estimates for the fiscal year. Funding for these estimates is provided for in the federal budget and is, therefore, built into the existing fiscal framework.

The supplementary estimates serve two purposes. First, they seek authority for revised spending levels that Parliament will be asked to approve in an appropriation act. Second, they provide Parliament with information on changes in the estimated expenditures to be made under the authority of statutes previously passed by Parliament.

Honourable senators, the budget process begins months in advance and is conducted within a multi-year fiscal framework. The planning process requires that the government know what revenues are available to pay for spending, that spending be known with some degree of certainty and that decisions to spend additional funds be prioritized. In recent years, that planning process has included the fall fiscal update in the other place, with members of the other place involved in what they call pre-budget consultations based on that forecast.

When the government has made its spending and revenue decisions, the Minister of Finance brings in a budget, outlining how new initiatives will fit within the available fiscal framework, not only for the year ahead, but also for four or five years into the future. We are told that if there are spending reductions or tax increases, they will pay for the new priorities. We are told how much the government plans to set aside for prudence and for debt reduction.

The commitments made in a budget can bind future governments, particularly when they take the form of new statutory spending or long-term agreements. To the fullest extent possible, honourable senators, where spending cannot be foreseen, the supplementary estimates ought to be tied to the fiscal framework set out in the budget. Indeed, it would have been preferable for more of the budget spending initiatives to have been included in the Main Estimates rather than brought to us by supplementaries. Good estimates can reduce the need for further supplementary estimates. For example, we will not vote on the budget's additional \$730 million for Sport Canada until we get the December supply bill, some 10 months after the budget announcement and almost three quarters of the way through the fiscal year. The same is true of the new money for defence.

Honourable senators, there are 23 separate parts to Bill C-43, the first of which relates to proposed amendments to the Income Tax Act and the income tax application rules. While some of these proposed changes do benefit the Canadian taxpayer, they are somewhat timid and certainly do not go far enough.

It is unfortunate, honourable senators, that while the government can find \$26 billion for various spending announcements in the last few months, it cannot find the money to give Canadians more than a \$16 tax cut next year.

Honourable senators, as originally presented in the other place, Bill C-43 also intended to help stimulate our private sector by ending Canada's corporate surtax, currently 4 per cent of taxes payable, as of January 1, 2008. That proposal was widely acclaimed in the business community and by academics throughout the country. It would have also lowered the general corporate tax rate from 21 per cent to 19 per cent by 2010.

As a result of its deal with the New Democratic Party, these proposals for larger corporations were removed at report stage with a promise to bring them back in a separate bill. It must be stressed that even when these reductions are finally implemented, our corporate tax rate in Canada will remain out of line with those of other nations. A recent C.D. Howe Institute study found that our effective corporate marginal tax rate was the third highest of 20 nations studied after factors such as depreciation rules were taken into account. Our ranking will change little after the passage of this particular bill.

The second part of Bill C-43 reduces the Air Travellers Security Charge to \$5 from \$6 for domestic travel. Honourable senators will recall that in December 2001, the Air Travellers Security Charge was announced to pay for airport security, part of Ottawa's response to the tragic events of the day that will be forever known as 9/11. The government said that it would only be used to pay for airport security, just as Canadians for years were promised that Employment Insurance premiums would only be used to pay for EI.

• (2010)

The original charge was \$12 for domestic travel, with a higher rate for international travel. By the time of the 2003 budget, it was clear that the tax was collecting far too much money and the charge for domestic travel fell to \$7 from \$12. In 2004, it was still collecting too much money and that amount fell by another dollar. Another year has passed and, once again, revenues from this tax continue to outstrip expected spending.

What kind of budgeting is that? Why did Paul Martin, the Minister of Finance back in 2001, set fees at more than twice the level that was needed to pay for airport security? Was he relying upon certain forecasters from the Department of Finance?

Part 3 of the bill extends the 83 per cent GST rebate for hospitals and other government funded non-profit entities that will provide health care services traditionally performed in hospitals. We support that proposal.

Part 4 phases out the existing 10 per cent tax on jewellery by March 1, 2009. However, honourable senators may want to note that also now before the Senate is Bill C-259, a Conservative private member's bill that will kill this tax, not four years from now, but immediately.

Part 5 allows \$700 million to be paid to a trust fund that would make money available to the provinces for child care. We are told that a further \$4.3 billion will follow over the next four years. We have heard similar child care promises before.

Aside from the lack of details, this bill fails to provide parents with choice in their child care arrangements that they will provide for their children. Indeed, the government has refused to provide New Brunswick with the flexibility it seeks to give parents that particular choice.

Part 6 authorizes the transfer of \$120 million to a trust fund that would make money available for what is called the northern strategy. The budget had said that each of the territories would share equally in the payment. When this matter gets to committee, perhaps the officials will be able to explain why this will be left in the terms of the trust indenture.

Part 7 will allow the Auditor General to conduct performance audits on organizations such as foundations that receive more than \$100 million in funding over any five-year period. It will also make the Auditor General eligible to be the auditor or joint auditor of most Crown corporations. I discussed this in detail on May 31 with respect to the eleventh report of the Standing Senate Committee on National Finance, 2005-2006 Main Estimates, when we dealt with foundations. I will not say much about that but I do have a couple of comments.

Recent years have seen a dramatic growth in the use of foundations to deliver government programs. There are two major criticisms of foundations. The first is that billions of dollars have been placed beyond the scrutiny of Parliament and the Auditor General. The bill responds to the first criticism, and that is certainly a welcome step. However, it is not retroactive, so it does not apply to funds already paid to various foundations, which total more than \$9 billion. Here we must rely upon the government to negotiate changes to the funding agreements for the money already advanced.

Bill C-43 does not provide for annual reports to be tabled in Parliament, nor does it ensure that the Auditor General will have adequate and predictable resources to carry out this work.

Finally, smaller foundations, that is, those receiving under \$100 million, remain exempt. This does little to render inaccurate the Auditor General's statement of last February when she said:

Parliament does not have adequate information and assurance on the use of more than \$9 billion in public funds already transferred to foundations.

The second criticism is that funds are sometimes given to foundations to achieve an accounting result with the money charged to one fiscal year and then spent in another fiscal year. The second issue is not addressed in Bill C-43. Indeed, the government has started to make extensive use of another device, that of trusts, to juggle money from one fiscal year to another fiscal year.

Part 8 of this bill retroactively approves several payments that the government hoped to book last year, including more money for foundations.

Indeed, of the \$315 million advanced to six foundations, only one exceeds the \$100 million threshold that will automatically provide for scrutiny by the Auditor General. Payments to the Aboriginal Healing Foundation, the Asia Pacific Foundation, the Canadian Academies of Science, the Canadian Youth Business Foundation, and the Precarn Incorporation are not covered by this bill.

The bill also provides \$300 million to the Federation of Canadian Municipalities for the Green Municipal Fund. The budget provided that \$150 million of this would be for brown field cleanups, referred to by my honourable colleague earlier this evening, but we do not find this spelled out in the bill. Is this money for brown field cleanups or is it for some other purpose? Perhaps when the officials come to the committee we can question them on that.

Part 9 updates the governance legislation for the Asia Pacific Foundation, which was originally created in 1984.

Part 10 makes convention refugees eligible for scholarships from the Canadian Millennium Scholarship Foundation. Neither of those is controversial.

Part 12 implements the offshore resource agreements with Nova Scotia, Newfoundland and Labrador. Now, this is important. This Conservative Party supports these provisions to give support to Newfoundland and Labrador and to Nova Scotia.

Some Hon. Senators: Hear, hear!

Senator Oliver: I should say, honourable senators, that if these provisions had been put in a separate bill weeks ago, as we had suggested, we would certainly have given support to have speeded them through so that the province of Newfoundland and Labrador and the province of Nova Scotia could be writing cheques for the much needed funds. Regretfully, unfortunate political games were played by including these provisions in this omnibus bill.

An Hon. Senator: Shame, shame!

Senator Oliver: The Prime Minister, slipping in the polls last June, promised to allow Newfoundland and Labrador and Nova Scotia to keep all of their offshore resource revenue. We saw the ongoing negotiations over that simple matter. We all took note of the deterioration in relations between the two provinces and the federal government. We all saw the Prime Minister and his front benches try to back away from the agreement and finally, in February, agreeing to honour a promise that had been made eight months previous.

Parts 13 and 14 are Kyoto measures that ought to have been in a separate bill so that they could be properly debated and examined without the rushed timetable that accompanies a bill such as this.

The first of those measures is the creation of what my learned friend has already referred to, the Canadian Emissions Reduction Agency as a departmental Crown corporation. It is also known as the Climate Fund. It is to provide incentives for the reduction or removal of greenhouse gases through the acquisition of eligible credits. It can procure those credits, in the language of the bill, "despite any provision of any other act of Parliament."

This fund will spend \$1 billion over the next five years. We are told that the fund will buy emission credits, domestically and internationally, linked to technologies, projects and processes that can be verified as contributing to actual greenhouse gas emission reduction. We will see whether, as some media experts have predicted, this ends up buying Russian hot air.

The bill will establish a greenhouse gas technology investment fund to allow large final emitter (LFE) companies to invest in technology investment units which would count towards their greenhouse gas reduction requirements. Revenues from the fund will be used to invest in technologies, research, and processes meant for greenhouse gas mitigation in Canada.

• (2020)

By the government's own admission, this is no quick fix. It will not achieve meaningful greenhouse gas reductions in the short term but is viewed as a long-term vehicle for indirectly achieving this object.

As originally drafted, Bill C-43 included amendments through which substances would no longer be referred to as toxic in the Canadian Environmental Protection Act but would instead be regulated if the government thinks they are environmentally harmful or if they constitute a danger to health or life. They were struck from the bill in committee and will likely come back as a separate piece of legislation.

We questioned the wisdom of placing  $CO_2$  in the same category as current CEPA-listed substances like lead and mercury. We were concerned that removing the word "toxic" from formerly banned chemicals would open the door to their use. These questions can now be debated in a detailed study in a separate bill.

Part 15 — this used to be Part 16, before CEPA was taken out — increases the limit on deposit insurance of \$100,000 from \$60,000, which will provide for greater consumer protection and consumer choice. Part 16 removes liability for student loans if the student dies and allows for loan forgiveness in cases of financial hardship where the student becomes disabled. We support this and would welcome other relieving measures that do not require a student first to be a victim of some unfortunate circumstance.

Part 17 allows the Minister of Finance to decide where Exchange Fund Account assets may be invested, replacing the legislated list of eligible investments. While the government assures us that it has no intention of doing so, it will now be able to use the Exchange Fund Account to buy shares of foreign companies. When this bill gets to committee, it is my hope that the officials will want to explain why these powers are so broadly worded. For that matter, given that the Bank of Canada no longer intervenes in the markets to manage fluctuations in the exchange rate, it would be helpful if the government could advise the committee as to its long-term plans for this fund.

Part 18 provides regulatory authority that will allow the government to commit to a minimum volume of purchases.

Now we are into purchasing, honourable senators. This is supposed to yield savings, but we will be watching this one very carefully, as the responsible department also ran the sponsorship program. The opportunities for abuse or favouritism on the part of those making contract decisions in the new regime are very real and will have to be monitored very closely. There are already reports of smaller businesses being cut off as suppliers when they failed to get on one of the government's standing offer lists.

Parts 19 and 20 deal with Employment Insurance premiums. In particular, after years and years of delay, Bill C-43 sets out new rules for setting EI premiums based on the expected cost of the program in the coming years. Premiums will be set each fall by the Canada Employment Insurance Commission on the advice of the program's actuary, who, using economic forecasts provided by the Minister of Finance, will calculate a rate that is just enough to cover costs.

The danger and the harm with that proposal, honourable senators, is that the government rejected an opposition amendment that would have allowed the actuary to use independent private-sector forecasts to set premiums. What is wrong with that? Why force the actuary to use the Minister of Finance's forecasts to determine a break-even rate? Such a forecast may not be independently provided and, given the Department of Finance's forecasting history, could force the actuary to recommend rates that are higher than needed.

The bill says that the employee premium per \$100 of earnings may not go up or down by more than 15 cents and that the employee premium may not exceed \$1.95 for the next two years. Yet, within these constraints, cabinet may set a rate different from that selected by the EI actuary if it is deemed "to be in the public interest."

What is the government's definition of public interest? Do the government's revenue objectives constitute the public interest, as has been the case when rates were set up in recent years?

Honourable senators, the cumulative EI surplus will reach \$49 billion by March of 2006. That is \$49 billion of cumulative EI surplus. Paul Martin's original reason for allowing the EI account to build up a surplus was to create a cushion to prevent future premium increases. The EI surplus will exist on paper but will play no role in premium setting.

What was it collected for? Was it collected to pay for the sponsorship program? Was it collected to pay for the gun registry? Was it collected to pay for the HRDC fiasco? Certainly, it was not collected to pay for benefits to run the program; neither was it collected for the Sea Kings.

Finally, Part 23 authorizes various payments to the provinces, including the Canada-Quebec Final Agreement on the Quebec Parental Insurance Plan, a contribution to British Columbia for the mountain pine beetle infestation, and compensation to Saskatchewan for the clawback of Crown lease revenue from equalization. We have no problems with those.

Where members of the Conservative Party do have a problem is the manner in which overall spending appears to have exploded in recent months, with announcements that now exceed some \$26 billion over the next few years. We are told that this is all within the fiscal framework and that recent spending announcements leave the government with exactly \$2 billion this year and next to put towards the debt.

Honourable senators, the government has used up most of its contingency without providing a full update of both sides of the ledger. We do not know whether the revenue numbers from last February still hold. We do not know whether the projected statutory spending spoken to tonight by Senator Day outlined in the Main Estimates is still accurate or whether these have been overtaken by certain events. We do not know whether all of the efficiency gains booked as part of the expenditure review are rolling out as planned. We certainly do not know what acts of God may strike over the balance of this fiscal year that may justify a government response for which there is now no money left.

We do know, however, that others outside of Canada have started to take notice, as evidenced by a June 2 article in *The Economist*, an article that ran under the rather unflattering title of "From Deficit Slayer to Drunken Spender."

I will conclude by quoting the last paragraph of that article which said:

With demands coming from every quarter, Mr. Martin must yearn for his days as finance minister. Then he would turn down supplicants, saying that while he would love to help them, his boss, Jean Chrétien, would not let him. In the top job, Mr. Martin now has nobody else on whom to heap the blame.

Hon. Terry M. Mercer: I wonder if the honourable senator would permit a question.

The honourable senator has me a little confused. He talked about the things he liked. He talked a bit about the Atlantic Accord, about the large amount of money that will come to our province of Nova Scotia and the large amount of money that will go to Newfoundland and Labrador.

In my analysis of the colleagues in this house and of the budget presented, I would have assumed that Senators Oliver, Buchanan, Forrestall, Comeau, Cochrane and Doody would all be standing in their place in this chamber in support of this budget because of the monies coming to the people of Nova Scotia and the monies coming to the people of Newfoundland and Labrador, money that we all rightly deserve.

Is Senator Oliver telling us that he will stand here and vote against the budget, which is going to give money to the people of Nova Scotia?

• (2030)

Hon. Terry Stratton (Deputy Leader of the Opposition): Does the honourable senator have a question?

Senator Mercer: That was the question.

Senator Oliver: With all due respect, I thought I clearly answered that question in my statement when I said it had been the wish of the Conservative Party that the aspects of the accord for Newfoundland and Labrador and Nova Scotia should have been rolled out of this huge omnibus bill and put in a separate bill. We would have agreed to it quickly and sped it along so Nova Scotia and Newfoundland and Labrador could have had their money some time ago.

Senator Mercer: The honourable senator has lost me. He sits here in favour of the provisions of the bill, but then he says that he will vote against it. He will have to explain that to the people of Nova Scotia. I certainly will not have to explain myself standing here in this chamber in support of the people of Nova Scotia and Labrador and Newfoundland.

Senator Comeau: Watch it. He is after your job.

Hon. Pierrette Ringuette: In his speech, the Honourable Senator Oliver mentioned the issue of child care in New Brunswick and that the Tory premier in that province wants to have flexibility in the system, just as his leader, Mr. Harper, wants to have flexibility in the system, namely, a tax credit. A tax credit is good for high-income earners. However, for low-income families — those women who serve coffee at Starbucks, Tim Hortons and McDonald's and who work for minimum wage — what kind of tax credit does the honourable senator think he could provide them? Their children need proper child care, just as do the children of woman who earn \$60,000 and \$70,000. It the same child.

Senator Stratton: What about a stay-at-home mom?

**Senator Ringuette:** We in New Brunswick will not allow children from different income levels to be treated differently by the federal and provincial governments.

**Senator Oliver:** I thank the honourable senator for that question. The people of New Brunswick are lucky to have a premier with as much foresight as Premier Lord. He is doing an excellent job for the people in that province.

My understanding is that he is not just talking about tax credits. He has been asking for the flexibility to give parents the money to let them decide what is in the best interests of their children, instead of forcing them to go to a daycare where they may not get the kind of care the parents want. I think that is good policy.

Senator Stratton: He is in favour of choice.

Senator Ringuette: The honourable senator refers to New Brunswick and the quality of child care. In his presentation, he made reference to the offshore accord and said, "Why is the federal government not signing this deal?" The money would be flowing to these provinces.

Why is Premier Lord not signing this deal so that the kids of New Brunswick can have the same kinds of services as any other province?

Senator Stratton: For the record, there are more poor kids in this country than ever before in its history, so what are we talking about here?

On motion of Senator Stratton, debate adjourned.

### CRIMINAL CODE CANADA EVIDENCE ACT

# BILL TO AMEND—SECOND READING

Hon. Landon Pearson moved second reading of Bill C-2, to amend the Criminal Code (protection of children and other vulnerable persons) and the Canada Evidence Act.

She said: Honourable senators, I am delighted to rise today for the second reading of Bill C-2. This is the third time a speech has been prepared for me on different versions of this bill, and I am happy to say that each time there have been improvements, but now the time has come to turn it into law.

First and foremost, this bill will provide increased protection to children against abuse, neglect and sexual exploitation. As colleagues know, child protection is an issue on which I have focused many of my efforts, both within Canada and internationally, ever since I have been in this place. I have done so because, like all honourable senators and Canadians, I strongly believe that children, in virtue of their vulnerability, both need and have the right to the best protections society can provide.

#### [Translation]

Honourable senators, Bill C-2 comprises five key elements. It strengthens current provisions banning child pornography; it further protects children from sexual exploitation; it reinforces certain provisions on sentencing for offences against children; it makes testifying easier on the child victim or witness, and other vulnerable persons; and it creates the new criminal offence of voyeurism.

#### [English]

With respect to child pornography, Bill C-2 proposes a number of reforms to further strengthen our existing comprehensive prohibitions. It will broaden the definition of child pornography to include audio formats as well as written material that has as its dominant characteristic description of unlawful sexual activity with children, where that description is provided for a sexual purpose. These amendments recognize that children should not be portrayed as a class of objects for sexual exploitation in any format.

In line with this recognition, Bill C-2 will specifically prohibit advertising child pornography. Also with respect to child pornography, Bill C-2 proposes to replace the existing defences of artistic merit, education, scientific or medical purpose and public good with a two-part harms-based "legitimate purpose" defence. Under this proposed reform, a defence would be available only for an act relating to child pornographic material

where, first, that act has a legitimate purpose related to the administration of justice, science, medicine, education or art; and, second, it does not pose an undue risk of harm to children. This second requirement, which is a new one, incorporates the harm standard adopted by the Supreme Court of Canada when it upheld the constitutionality of the child pornography provisions in the 2001 *Sharpe* decision, and adds a new harms-based test that is absent from our existing child pornography defences.

Under the new defence, for example, possession of child pornographic photographs by police for investigative purposes would benefit from the defence because the act of possession of the photographs is for a legitimate purpose related to the administration of justice and does not pose an undue risk of harm to children. Possession of the same photographs, however, by a child pornographer for his personal use exploits children and would not be protected by this defence.

In addition, Bill C-2 also enhances the penalties for child pornography. It will make the commission of any child pornography offence with intent to profit an aggravating factor for sentencing purposes. It increases the maximum penalty for all child pornography offences committed on summary conviction from six to 18 months, and it proposes the imposition of mandatory minimum penalties for all child pornography offences.

The second component of Bill C-2 relates to the sexual exploitation of youth. Bill C-2 proposes to create a new category of prohibited sexual exploitation of a young person who is over the age of consent, that is, who is 14 or older and under 18 years of age. In so doing, it will expand the protection of youth under 18 against predatory and sexually exploitive conduct that currently exists where there is a relationship of trust, authority or dependency.

#### • (2040)

Under Bill C-2, courts would be directed to infer that a relationship is exploitative and therefore prohibited by looking to the nature and circumstances of the relationship, including the age of the young person, any difference in age between the young person and the other person, the evolution of the relationship and the degree of control or influence exerted over the young person. These listed factors are not exhaustive. In other words, other factors might be present in some cases that are indicative of exploitation of a particular young person.

Nonetheless, I believe this list of factors makes sense. They are indicators of what reasonable persons would readily agree is exploitation. Take, for example, a case where the relationship is developed secretly and quickly over the Internet. Bill C-2 says to the courts: Take this into account. Another example is where the other person is significantly older than the young person. Again, Bill C-2 says to the courts: Take this into account.

One of the things I particularly like about Bill C-2 is that it does not focus on the consent of the young person but focuses instead on the wrongful conduct of the offender. This is in fact the way criminal law approaches the issue of sexual assault. Bill C-2

reflects the reality that a young person cannot consent to be exploited. Moreover, any non-consensual sexual activity regardless of age is a sexual assault.

Now we come to the area of the bill that relates to sentencing. Bill C-2 also seeks to ensure that the penalties for offences committed against children reflect the serious nature of committing any offence against a child. In all cases involving the abuse of a child, Bill C-2 would require that a sentencing court give primary consideration to the sentencing objectives of denunciation and deterrence. It also proposes to make the abuse of any child an aggravating factor for sentencing purposes.

Bill C-2 proposes to increase penalties for child-specific offences. It will increase the maximum penalties for specific offences against children, such as failure to provide the necessities of life or abandonment. It will also impose mandatory minimum penalties for specific sexual offences against children, including in instances that are particularly egregious, such as the procuring of a child by a parent or by a guardian or by a pimp.

Bill C-2 will facilitate testimony. The proposed reforms to facilitate the testimony of child victims/witnesses and other vulnerable witnesses is a component of Bill C-2 that has been very well received. Testifying in a courtroom is difficult for anyone, but especially so for child witnesses. The criminal justice system has undergone numerous reforms since the late 1980s to make it more sensitive and responsive to the needs of these victims and witnesses, including making available such testimonial aids as a screen, a support person, closed-circuit television, and the appointment of counsel to conduct the cross-examination of a young victim/witness on behalf of self-represented accused.

Bill C-2 proposes reforms that will clarify and apply uniform tests for the use of testimonial aids in three distinct categories of cases: one, cases involving a child victim or witness under the age of 18 or a victim/witness with a disability; two, cases involving victims of criminal harassment; and, three, cases involving other vulnerable adult victims and witnesses.

For the first category, testimonial aids would be available for all child victims and witnesses with a disability on application unless they interfere with the proper administration of justice.

For the second category of victims of criminal harassment, and where the accused is self-represented, Bill C-2 would enable the Crown to apply for the appointment of counsel to conduct the cross-examination of the victim. The court would be required to order it unless doing so would interfere with the proper administration of justice. This proposed amendment recognizes that a victim of criminal harassment or stalking, as it is sometimes called, should not have to endure further harassment by a self-represented accused.

In the third category of cases involving any other adult victim or witness, the Crown can apply for the use of any testimonial aid or the appointment of counsel to conduct the cross-examination of the witness for the self-represented accused. In these cases, the court would only order the use of the testimonial aid if, having regard to the surrounding circumstances, including the nature of

the offence and any relationship between the victim and the accused, the victim would not be able to provide a full and candid account without the testimonial aid.

In addition, Bill C-2 proposes amendments to the Canada Evidence Act that would eliminate the current requirement to conduct an inquiry into the ability of a child under the age of 14 to understand the concept of an oath or affirmation and to provide testimony. In practice, the inconsistent and often rigorous conduct of these inquiries can result in increased trauma to child witnesses and as well lead to the loss of valuable testimony from child witnesses for reasons unrelated to the ability of a child to provide reliable testimony.

Under Bill C-2, the evidence of a child witness under 14 must be received if the child is able to understand and respond to questions. A young person must promise to tell the truth, but no inquiry can be made into the child's understanding of the nature of the promise. As with other witnesses, the trier of fact would determine what weight to give to the child's testimony.

Finally, I will turn to the area of Bill C-2 that relates to voyeurism. New voyeurism offences to better protect the privacy of Canadians are proposed. These voyeurism offences would prohibit three specific breaches of sexual privacy. It would prohibit secret observation or recording of a person in circumstances giving rise to reasonable expectation of privacy when the person observed or recorded is in a place where a person is expected to be in a state of nudity or engaged in a sexual activity, such as in a bedroom, a bathroom or changing room. It would prohibit secret observation or recording of a person in circumstances giving reasonable expectation of privacy when the person is in a state of nudity or engaged in sexual activity and the purpose is to observe or record the person in such a state or activity. Also, it would prohibit secret observation or recording of a person in circumstances giving rise to a reasonable expectation of privacy when the observation or recording is done for a sexual purpose. These new offences address cases of a breach of sexual privacy, whether these breaches are committed for a sexual purpose or for any other reason.

Bill C-2 would also prohibit the publication or distribution of any recording made as a result of an act of voyeurism. It would enable the seizure of copies of any such recordings in order to prevent them from being distributed or sold. As well, Bill C-2 would enable the deletion of electronic copies of these recordings from the Internet.

Bill C-2 also provides a defence of public good for those acts which constitute voyeurism but which should have a defence because they serve the public good. It could be used, for instance, by the press when the public good requires the publication of voyeuristic material. In this way, the defence maintains a necessary balance between protection of the sexual privacy of all Canadians and freedom of expression.

Honourable senators, Bill C-2 takes as a starting point our existing comprehensive criminal legislative framework that protects children and other vulnerable persons, and builds upon this framework in significant and meaningful ways. Each reform

proposed by Bill C-2 viewed individually and collectively says to Canadians, to our children, to criminal justice personnel, and to would-be offenders: The abuse, neglect and sexual exploitation of any child in Canada is a serious matter and must be treated as such by the criminal justice system.

I urge all honourable senators to support Bill C-2. With its passage we will be able to ensure that all children under 18 are protected by law from sexual exploitation and that they and other vulnerable Canadians will have their capacity to take part in court proceedings enhanced. Increased sentences will reinforce the message that all crimes against children are repudiated by Canadians.

I have been waiting for a long time to sponsor this bill. I hope all senators agree with it and will move it ahead as quickly as possible.

Hon. Senators: Hear, hear!

• (2050)

[Translation]

Hon. Pierre Claude Nolin: Honourable senators, I am pleased to speak today at second reading of Bill C-2, to amend the Criminal Code (protection of children and other vulnerable persons). You will agree with me that the sexual exploitation of children is a plague. This plague continues to spread with the help, among other things, of new information technologies and the considerable resources of organized crime. Like child pornography, the prostitution of persons under the age of 18 has become a disturbing problem for our society. Witness the fact that the officers in the Montreal police squad created in 2002 to fight child sexual exploitation broke up only last week a sizeable child prostitution ring. Those running it were forcing minors, including one young girl barely 12 years of age, to work for escort agencies.

Since 2002, the members of the squad have freed nearly 431 young victims of sexual exploitation. Of this number, nearly 50 per cent were under 14 years of age and were involved against their will in child pornography matters.

Honourable senators, as responsible parliamentarians and responsible parents we have to act intelligently in the face of this plague. The police must be given the best equipment possible to enable them to better protect children against pedophiles and pimps.

The Parliament of Canada has, in recent years, become involved in the fight against the sexual exploitation of children, as in 2002, when we passed Bill C-15A. Its aim was to give the legal system more means to sentence pedophiles who use the Internet to commit crimes against children. That same year, the government tabled Bill C-20, which has now become C-2.

Honourable senators, the amendments proposed by Bill C-2 are the extension of Bill C-15A. That said, I do not intend to explain the finer points of the main provisions of the legislative text before us. Senator Pearson has just done so very faithfully, and I have no intention of going back over the details.

I would instead point out that our colleagues from the other place passed a series of amendments that will allow the application of mandatory minimum sentences for several offences created or amended by Bill C-2.

Currently, the Criminal Code includes some 30 offences to which this type of criminal penalty is applied. More than half of those offences involve the use of a firearm. It is important to mention that the mandatory length of minimum sentences under our penal law is anywhere from two weeks for impaired driving to life for first degree murder. There is a wide range of minimum sentences.

With respect to the sexual abuse of children, subsection 2.1 of section 212 of the Criminal Code already imposes a minimum sentence of five years on every person who convicted of living on the avails of prostitution of another person under the age of 18 years.

If Bill C-2 is passed in its current form by this chamber, then more than 10 mandatory minimum sentences will be added to the Criminal Code. For example, clause 3 of this enactment imposes a 45-day prison sentence on every person found guilty of an indictable offence involving sexual contact with a person under the age of 14 years. The maximum sentence for this offence is currently 10 years.

Clause 7 imposes a minimum sentence of one year on every person found guilty of distributing child pornography. As in the previous case I mentioned, the imprisonment term is not to exceed 10 years.

Honourable senators, please understand. I am not opposed — quite the contrary — to minimum sentences in order to deter the sexual abuse of children, but this needs to be done properly.

In R. v. Latimer, in 2001, the Supreme Court found, and I quote:

The choice is Parliament's on the use of minimum sentences, though considerable difference of opinion continues on the wisdom of employing minimum sentences from a criminal law policy or penological point of view.

Although the length of the proposed sentences in Bill C-2 is fairly short in a number of cases, I merely wish to be sure that the other place did its work properly, since imposition of such penalties is extremely controversial and inevitably leads to court challenges.

We must be sure of the real intention of the legislator. It is the role of the Standing Senate Committee on Legal and Constitutional Affairs to tackle this, though it may turn out to be quite painstaking. We want to see minimum sentencing have the effect the legislator expects it to have, that is, to act as a deterrent and protect children.

We also want to avoid such sentences being declared unconstitutional under sections 7 or 12 of the Canadian Charter of Rights and Freedoms within a few years of being enacted.

Since the Charter has been in place, some compulsory sentences have been declared unconstitutional by Canadian courts, while others have survived court challenges.

Honourable senators, I have consulted the minutes of the June 2 meeting of the Standing Committee on Justice and Human Rights of the other place during the clause-by-clause study of Bill C-2. On that day, the Parliamentary Secretary to the Minister of Justice, Mr. Macklin, gave a reason, which was both surprising and disquieting from the legal point of view, for the inclusion of minimum sentences in this legislative text. He said:

Let me start by saying first of all, that as part of a minority government...and the proposition that we see before us also within this committee is that we have to come to an understanding that on certain issues there has to be some type of mediated middle ground, if we possibly can, in terms of trying to come to a consensus on issues before us. In this case we have done that reluctantly, but also by understanding the reality of the situation. We would much prefer that we left the courts with full opportunity to examine all of the factors that come with sentencing.

So, rather than arising out of a rigorous analysis of all of the issues surrounding the imposition of minimum sentences and the true effects of these on the sexual exploitation of children, the justice system and fundamental rights, unfortunately, these amendments appear to be politically motivated.

In 2000, in Regina v. Wust, former Supreme Court Justice Louise Arbour stated, without however calling into question this kind of penalty:

Mandatory minimum sentences are not the norm in this country, and they depart from the general principles of sentencing expressed in the Code, in the case law, and in the literature on sentencing.

Honourable senators, we must not create new sentences solely to ensure, for purely partisan purposes, the adoption of a bill that was first introduced three years ago!

Neither should we impose new minimum sentences simply because some people consider the legal system and sentencing proceedings to be ineffective.

Mandatory minimum sentences have frequently been criticized by legal specialists and by every organization that has had a federal mandate to consider this issue.

In 1987, the Canadian Sentencing Commission stated the following in its report:

For 35 years, every Canadian commission that has addressed the issue of mandatory minimum sentences has recommended they be abolished.

More recently, in 2002, a study for the Department of Justice assessed the effectiveness of existing minimum sentences in Canada. This study is entitled "Mandatory Minimum Penalties: Their Effects on Crime, Sentencing Disparity and Justice System Expenditures" and was written by two university professors from Ottawa.

• (2100)

They concluded, and I quote their report:

Crime reduction can be expected only if MMS [minimum mandatory sentences] are applied consistently. Even then, there is no guarantee that they will increase the severity of sanctions, as previous sanctions may have exceeded the statutory minimum introduced.

While criticizing the flagrant lack of Canadian studies on the matter, the authors stated that this type of sanction should not be imposed:

... merely to placate a political constituency or without regard to a thorough understanding of the infractions or offenders for whom they are intended.

The Special Senate Committee on Illegal Drugs, which I had the honour to chair, studied minimum mandatory sentences from 1908 in federal legislation prohibiting the use and trafficking of illegal drugs.

As I mentioned, honourable senators, they are ineffective in eliminating this phenomenon.

Will this type of sanction be more effective in fighting the sexual exploitation of children? Will it be an appropriate deterrent?

The Standing Senate Committee on Legal and Constitutional Affairs should expect answers to these important questions and formulate comments in our report to this effect so that the intention of the federal legislator may be clearly understood by the courts that will inevitably have to decide on the legality of these new provisions.

That said, honourable senators, I feel I must conclude my remarks by addressing the issue of recourse to the criminal law as a preferred method of fighting certain types of social problems.

In January 2002, Detective Sergeant Paul Gillespie, of the Toronto Police Service, explained the poor results of a vast police operation against a child pornography distribution network by the lack of a real national strategy to fight sexual exploitation of children.

In this regard, he told the Canadian Press, on January 17, 2004:

International cooperation is a dream; national cooperation is a nightmare... It is high time the people in Ottawa assumed their responsibility... We need help.

Canada must adopt such a measure with clear objectives to encourage cooperation and involve the federal government, the provinces, the municipalities, the community stakeholders and the police.

This concerted effort would make it possible to determine the resources and other measures necessary to fight this evil.

Among those that come to mind: eliminating certain administrative or jurisdictional constraints relating to policy investigations, educational and prevention programs for parents and children, and finally proper training in this area for police officers.

The National Child Exploitation Coordination Centre was recently formed to remedy some of these shortcomings.

An integral part of the National Police Services, it is part of the national strategy to protect children from on-line sexual exploitation.

I congratulate the government on this initiative. The Criminal Code alone cannot fight the sexual exploitation of children.

Although I have expressed some reservations just now about the rather heavy-handed job done by our colleagues in the other place on Bill C-2, I will enthusiastically support the principles underlying this bill at second reading.

[English]

The Hon. the Speaker: Honourable senators, are you ready for the question?

Hon. Senators: Question!

The Hon. the Speaker: It was moved by the Honourable Senator Pearson, seconded by the Honourable Senator Poy, that this bill be read the second time.

Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Pearson, bill referred to the Standing Senate Committee on Legal and Constitutional Affairs.

# HIGHWAY 30 COMPLETION BRIDGES BILL

# THIRD READING—DEBATE ADJOURNED

Hon. Bill Rompkey (Deputy Leader of the Government) moved third reading of Bill S-31, to authorize the construction and maintenance of a bridge over the St. Lawrence River and a bridge over the Beauharnois Canal for the purpose of completing Highway 30.

Hon. Pierre Claude Nolin: I intend to speak tomorrow; as such, I shall take the adjournment.

On motion of Senator Nolin, debate adjourned.

# EXPORT AND IMPORT OF ROUGH DIAMONDS ACT

BILL TO AMEND—THIRD READING

Hon. Robert W. Peterson moved third reading of Bill S-36, to amend the Export and Import of Rough Diamonds Act.

Motion agreed to and bill read third time and passed.

#### CANADA TRANSPORTATION ACT

BILL TO AMEND—SECOND READING— DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Banks, seconded by the Honourable Senator Corbin, for the second reading of Bill S-6, to amend the Canada Transportation Act (running rights for carriage of grain).—(Honourable Senator Kinsella)

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I have been ready with my notes on this bill for some time. I would dare to begin this evening but for the lateness of the hour. Therefore, I shall move the adjournment of the debate and undertake to give the remainder of my speech later this week.

On motion of Senator Kinsella, debate adjourned.

• (2110)

### STUDY ON NATIONAL SECURITY POLICY

TOWN HALL MEETINGS— NOVEMBER 2004-JUNE 2005—REPORT OF NATIONAL SECURITY AND DEFENCE COMMITTEE— REPORT DEBATED

The Senate proceeded to consideration of the eighth report of the Standing Senate Committee on National Security and Defence (study on the national security policy for Canada), tabled in the Senate on June 14, 2005.—(Honourable Senator Kenny)

Hon. Colin Kenny: Honourable senators, this report is intended to bring to the attention of the chamber the practice that the committee has adopted in the past year of holding public town hall style meetings. The committee has held 11 such meetings across the country, and they are listed in the report. The purpose of the report is simply to draw this to the Senate's attention and to indicate that we have found this to be a useful way of communicating with the public.

We placed advertisements in local papers. We made arrangements through various organizations to make groups on all sides of the defence issue aware of the public meetings. We formulated ground rules allowing people to speak for up to three minutes and a member of the committee to ask questions for up to 30 seconds, with the individual responding for another minute and a half.

Over 1,000 Canadians have appeared before us across the country. The committee has concluded that this is a valuable way of engaging people directly. We also found positive media response to it with headlines such as, "The Senate is here and is listening."

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I thank the honourable senator for speaking to the report, but I do think the chamber as a whole should reflect on not only this report but also on the two or three that will follow. They all conclude with a similar paragraph stating that meetings were held and that the content of the discussions during the meetings were immensely valuable and would contribute materially to the report of the committee.

It seems to me that the material report of the committee would constitute a proper report to the Senate. I do not think that these reports are proper reports at all. They merely indicate that the committee has been holding meetings, that the meetings have been helpful, and that the witnesses have been informative. The last paragraph, not of this report but the subsequent reports, state that this series of hearings will contribute materially to reports the committee plans to table.

It seems to me that it is not an efficient use of the chamber's time to have such reports as these that contain nothing material. I would be interested in the views of other senators on that point.

The Hon. the Speaker: If no senator wishes to speak, the report is considered debated.

MEETINGS HELD IN UNITED STATES— APRIL 14-APRIL 21, 2005—REPORT OF NATIONAL SECURITY AND DEFENCE COMMITTEE— REPORT DEBATED

The Senate proceeded to consideration of the tenth report of the Standing Senate Committee on National Security and Defence (study on the national security policy for Canada), tabled in the Senate on June 14, 2005.—(Honourable Senator Kenny)

Hon. Colin Kenny: Honourable senators, in light of the foregoing comments, I will dispense with speaking to this report. We thought it would be of some interest that we had this level of interaction with American officials and colleagues. I was going to indicate the different areas in which we had common interests, but if it is of no interest to members opposite, I will let it go.

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, the tenth report contains a list of a number of witnesses from whom the committee heard and concludes with the paragraph:

The content of our discussions will contribute materially to reports the Committee plans to table in the Senate in the coming months.

It is important for the Senate to know when we will have a material report, rather than these kinds of reports which are simply a list of witnesses the committee has heard.

I hasten to add that I am not disparaging in any manner or form the important work that is done by this committee. I am more interested in the process of a report being tabled that gives a list of witnesses that the committee has heard, tells us nothing about what they have heard, and hardly constitutes a "report" in the fullness of the meaning of the word.

The Hon. the Speaker: Honourable senators, if no other senator wishes to speak, the report is considered debated.

MEETINGS HELD IN EUROPE— MAY 6-MAY 12, 2005—REPORT OF NATIONAL SECURITY AND DEFENCE COMMITTEE— REPORT DEBATED

The Senate proceeded to consideration of the eleventh report of the Standing Senate Committee on National Security and Defence (study on the national security policy for Canada), tabled in the Senate on June 14, 2005.—(Honourable Senator Kenny)

Hon. Colin Kenny: Honourable senators, the comments I made on the previous report also apply to this report.

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, my observations made concerning the previous two reports also apply to this report.

The Hon. the Speaker: If no other senator wishes to speak, the report is considered debated.

REPORT OF NATIONAL SECURITY AND DEFENCE COMMITTEE ENTITLED BORDERLINE INSECURE—DEBATE ADJOURNED

The Senate proceeded to consideration of the twelfth report of the Standing Senate Committee on National Security and Defence, entitled *Borderline Insecure*, tabled in the Senate on June 14, 2005.—(*Honourable Senator Kenny*)

Hon. Colin Kenny: Honourable senators, for a change of pace, I will speak to this report.

I intend to address five major issues covered by the report, the first being that the Canada Border Services Agency can better focus its efforts if it makes adjustments to the exemptions to which Canadians are entitled when they return to Canada. On pages 12 and 13 of the report, we have outlined a proposal to bring Canadian exemption levels into line with those of the United States by the year 2007 and then to increase them to \$2,000 per visit by the year 2010.

This is a significant change, and it is based on the following reasoning. We heard considerable testimony from officials as to the amount of time that was taken when people crossing the border returning to Canada were sent to secondary inspection. Typically, someone would go to secondary inspection for 15 to 20 minutes for a total of \$30 or \$40 of tax or duty to be collected.

• (2120)

It was the view of the committee that this was an inappropriate use of time, that the guards on the border could better use that time to inspect and question people more thoroughly.

We were also advised by customs inspectors that people who were bringing goods across the border, perhaps illegally but in small amounts — typically an article of clothing beyond their entitlement — would exhibit some of the same symptoms that someone with major criminal intent would exhibit. This served to distract the customs inspectors.

I would like to mention that there is a similar effort moving forward in the United States Senate under the aegis of Senator Collins, from Maine. There would be some form of receptivity, at least in the Senate of the United States, to this sort of movement.

The second item I wanted to address relating to the report had to do with the arming of border officers. The committee came to this view reluctantly, slowly, deliberately and only after a great deal of soul-searching. The current policy of the government is for a customs official, when confronted with a difficult or dangerous situation, to withdraw from the situation and to disengage from the individual.

We heard government officials say that these individuals should call for police support and that way they would remain whole and safe. After conducting interviews at literally dozens of border posts and after hearing from scores of customs officers, from whom we compiled a significant amount of evidence, we learned that threatening situations arise on a regular basis and that these officers did not have police support to protect them.

We went to the police and inquired as to why they were not supporting the customs officers. The answer we received was simply one of resources. We were told that during the quiet hours, often there would only be one or two police vehicles on duty, that they would be attending to a another call and could not respond to a call from the customs officials.

It was the view of the committee that the government and the people of Canada have a duty of care to these individuals, to allow them to protect themselves. The purpose of allowing them to be armed would be, first, to protect themselves; and, second, to protect other innocent people whose lives were in danger. We came to this conclusion very reluctantly. I do not think anyone on the committee wants to see more Canadians armed. We are convinced that security was not there. Our first choice was to provide for RCMP protection at these posts, but we recognize that this is unlikely to be the case. Too large a number of posts, well over 100, are one-person posts.

We were concerned about existing employees who might not wish to have weapons, or who might not be capable of handling a weapon or being properly trained to use one. In the report we specifically made them exempt.

We also recommend that the training of those customs officers who do wish to be armed or new recruits to the Canada Border Services Agency receive training at the same level or at a higher standard than the RCM Police. We believe that this step is

necessary if these individuals are to work in a safe environment. While we did take this step reluctantly, we think it was an appropriate and necessary step to ensure safety.

Third, I wish to draw to the attention of honourable senators the concerns that the committee has about the Detroit-Windsor border. The crossings that are there — the tunnel, bridge and barge — account for an extraordinary amount of commerce between Canada and the United States. Everyone in the chamber is aware of the auto industry's just-in-time delivery system. This is our most vital crossing and our concern is for the low-probability but extremely high-cost event of that bridge being damaged or taken out. If that were to happen, we not only see the border closed from coast to coast for a period of time, but also we see the economy of Ontario ravaged, with economic consequences similar to the restitution that we saw in the 1930s.

As it stands now, six levels of government are involved in this negotiation. We are told that there is no likelihood of a solution before the year 2013. During our visit to Washington, we encountered a number of congressmen who advised us that we should not anticipate a successful conclusion to these negotiations by 2013. They pointed out that there were municipal elections coming up in Detroit, state elections coming up in Michigan and congressional elections following that. There was no likelihood of any support for a conclusion to these negotiations in the immediate future.

Honourable senators, we believe that waiting until 2013 is too long. We have three recommendations that would move that decision forward, the most significant of which is legislation that would allow the Minister of Public Safety and Emergency Preparedness the authority to expedite border infrastructure in certain circumstances designated by the Governor-in-Council.

There is comparable legislation moving ahead in the United States that would provide the same authority to the Secretary of Homeland Security. We are of the view that this is the only way that we will see an additional crossing at Windsor-Detroit in a timely fashion.

The fourth point that I wanted to raise relates to pages 21 and 22 of our report and has to do with single shifts on the border.

• (2130)

The figures there were quite alarming to the committee. There are 139 ports of entry across Canada where an individual works a shift alone. The committee is of the view that it is unacceptable to have people who are our front line of defence, who are the only check for who is coming into the country, working there by themselves. The border is the only place between the Rio Grande and Tuktoyaktuk where someone can be stopped without reasonable or probable cause. This is where it happens; this is the choke point. There are 139 of those ports of entry with only one person there.

I might add that 62 of those ports are not connected to the CBSA mainframe, which means that the individuals working there do not know whether the people coming through have a criminal record. They do not know whether the people coming

across are wanted by CSIS. They do not know anything about the individual who is crossing at that point. It was beyond the understanding of the committee that such a situation should be allowed.

I will conclude by talking about the fifth point, which was of great concern to the committee, and that is the extraordinarily large number of employees who work for the Canada Border Services Agency who are not fully trained. That number rises as high as 22 per cent during the peak summer season, when employees receive only three weeks of training. At one time, employees received 13 weeks of training. It has been reduced to eight for regular inspectors, soon to be increased again to 14. It simply did not make any sense to the committee for summer replacement employees to receive only three weeks of training. If we are going to take the border seriously and use it to protect Canadians from things and people that should not come into the country, the people who are working on the front line need to have proper training and equipment.

All of this comes under the rubric of changing the culture in the Canada Border Services Agency. The agency has undergone an enormous change since its inception. Prior to World War I, it accounted for 75 per cent of federal government revenues. It now accounts for less than one tenth of 1 per cent of federal government revenues.

The Hon. the Speaker: Senator Kenny, I would advise you that your 15 minutes has expired.

**Senator Kenny:** Honourable senators, if it is agreeable, I could wrap up in 30 seconds.

Hon. Senators: Agreed.

The Hon. the Speaker: I believe I heard someone say five minutes.

Senator Stratton: Maximum.

Hon. Senators: Agreed.

Senator Kenny: I will stick to 30 seconds. We are calling for a significant culture change in the CBSA, moving the people who protect our borders away from being tax clerks and people who are looking out for petty smugglers and asking them to focus instead on national security questions and looking out for people who want to do real harm to Canada or Canadians.

On motion of Senator Stratton, debate adjourned.

# NATIONAL SECURITY AND DEFENCE

COMMITTEE AUTHORIZED TO MEET DURING SITTINGS OF THE SENATE

On the Order:

Resuming debate on the motion of the Honourable Senator Nolin, seconded by the Honourable Senator LeBreton:

That the Standing Senate Committee on National Security and Defence have power to sit on June 20, 21 and 22, 2005, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto; and

That if the Senate has adjourned for a period exceeding one week, the Standing Senate Committee on National Security and Defence be empowered, in accordance with rule 95(3), to sit on June 20, 21 and 22, 2005.

Hon. Terry Stratton (Deputy Leader of the Opposition): I adjourned the debate in the expectation that the chair of the committee would be here this evening to go through an explanation of what was going to take place or is taking place with this request. We are hearing different explanations. For example, we heard that the committee would meet at Meech Lake, but now I understand it will meet here.

Perhaps the chairman could give us a summary of where we are at with respect to this motion.

Hon. Colin Kenny: Honourable senators, the original request was to sit for three days to work on the report of the committee. The committee was prepared to sit at some time when the house was not sitting during the summer, but that is not the wish of this house. As a consequence, three meeting dates were chosen. We did have a preference to meet at Meech Lake; however, upon making inquiries, we found that the costs of the translation and reporting equipment were going to be significant — a few thousand dollars — and it seemed hard to justify. The better location for the meeting is a committee room in the Victoria Building, where the translation and reporting would result in no additional cost - this, in addition to the fact that it was of concern I believe to both sides, but at least to the government side, that the senators be available on an hour's notice for a vote. We were going to make arrangements to come back to Ottawa and continue the meeting in any event during the times when we anticipated votes might take place. The combination of the cost of going to Meech Lake and the need to be close at hand in the event there was a vote made it a simple decision to carry on in the Victoria Building.

We met today and have worked our way through a number of issues. There are individual papers and we are giving library staff guidance on how we would like them addressed or what further information we need. We anticipate three reports on this in the fall. We have a series of pages that outline the issues. The committee debates these issues, comments on them, either agrees to them, alters them, or asks for more information on them. That is the process we are engaged in at this moment.

(2140)

Senator Stratton: It was my understanding that a significant number of former witnesses were invited to attend. We are not sure of the accuracy of this, but clarification would help because it did cause some consternation on both sides when we heard the number of potential witnesses who are invited to attend to review the report. Could we be given a summary of the current situation?

**Senator Kenny:** I would be happy to do that. I spoke to Senator Stratton's leader about it at some length when I was last here. The figure that I heard was grossly exaggerated.

Over the past three years, we have developed relationships with a variety of institutions, principally academic institutions, that have assisted us in the preparation of papers. We have endeavoured to build a network across the country of people who could provide information to assist the committee. We were trying to develop a form of peer review of some of our preliminary work.

We anticipated that somewhere between 10 and a dozen people might attend. I understand the honourable senator's concern. I have heard bizarre estimates ranging from 40 to 70 people. I have no knowledge of source of that information, but I do know that the committee members who are present in the chamber can tell you that those numbers were never contemplated or expected.

Inasmuch as we were uncertain that the committee would meet on Tuesday or Wednesday, invitations to the 10 or 12 people whom we hoped would come to Ottawa for Wednesday's meeting have not been extended.

Senator Stratton: I have one final question. This information is based in the budget of the committee. Has approval been given to that budget so that these witnesses will attend to review this report?

Senator Kenny: Honourable senators, witnesses who testify before Senate committees are paid out of the Senate's \$400,000 witness fund. That applies not only to witnesses who attend the Defence Committee, but also to all witnesses who attend all committee meetings.

**Senator Stratton:** As a final comment, I am sure the honourable senator could understand our concern when we heard the numbers of 30 or 40 witnesses.

Senator Kenny: Yes, I could understand that concern. I was equally concerned because the information was inaccurate. Five or six days ago, I approached Senator Kinsella to ensure that his side was aware that it was an inaccurate figure.

An Hon. Senator: Question!

Motion agreed to.

[Translation]

#### THE SENATE

MOTION TO STRIKE SPECIAL COMMITTEE ON GAP BETWEEN REGIONAL AND URBAN CANADA— DEBATE ADJOURNED

Hon. Marie-P. Poulin, pursuant to notice of June 15, moved:

That a special committee of the Senate be appointed to examine the growing gap between regional and urban Canada;

That research be gathered to consolidate and update current facts and figures regarding this gap;

That testimony be heard to provide an overview of the challenges facing regional areas in several socio-economic areas as transportation, communications, employment, the environment;

That this special committee be authorized to hear testimony in Ottawa and in regions;

That this special committee be comprised of five members, and that three members constitute a quorum; and that two members be sufficient for the purposes of hearing witnesses;

That the committee be authorized to send for persons, papers and records, whenever required, and to print from day to day such papers and evidence as may be ordered by it;

That, pursuant to Rule 95(3), the committee be authorized to meet even though the Senate may then be adjourned;

That the committee be authorized to permit coverage by electronic media of its public proceedings, with the least possible disruption of the hearings;

That the committee submit its final report no later than June 30, 2006, and that the committee retain all powers necessary to publicize its findings until September 30, 2006;

That the committee be permitted, notwithstanding usual practices, to deposit its reports with the Clerk of the Senate if the Senate is not then sitting, and that any report so deposited be deemed to have been tabled in the chamber.

She said: Honourable senators, I want to say a few words about this motion. Why study regional development? Statistics Canada and all the research clearly show that there is a growing gap between some major urban centres and all our communities in the regions of Canada.

We know that rural people are migrating to the major centres and that new Canadians are heading there, too. We have each been invited to sit in the Senate as the representative of a particular region. Since 1867, it has been the duty of senators to represent the country as it was and as it exists today.

So why spend so much time addressing this gap? Every country is dealing with globalization. How should we broaden our vision of public policy?

[English]

Honourable senators, in this chamber we have the experience and the expertise, the interest and the responsibility of reviewing why gaps exist between the regions of Canada and certain major urban centres. How can we as a country ensure that every Canadian has the real freedom to choose where he or she will live?

• (2150

Let me give honourable senators a small example. A few months ago, I was having a medical checkup and the young technician who was taking certain tests came up to me. When I noticed the name on her lapel, I said, "Where are you from?" She said, "I am from Sudbury." I replied, "What a nice coincidence, so am I."

I asked what brought her to Ottawa. She told me that she had studied a unique specialty in medicine at Kingston, where she met her husband, but the only place they both found work was Ottawa. I asked her why she was saying that. She said she would give anything to go back to Sudbury, so I asked her why. She told me that, first of all, they could afford a house; second, they could probably live on the water because of the 330 lakes in the area; and, third, they could probably start a family because she would have time to commute between the house, work and the daycare centre for the children. However, she said that they could not find work in Sudbury, so they were very disappointed.

I asked myself why they could not find work in Sudbury. Is it not unfair that young people who would like to live in smaller communities to raise their families because of the quality of life, access to child care, good health care and schooling cannot find work in the those communities?

The globalization of our world permits us today to take a step back and ask whether this is where our country wants to be in 10, 20 or 30 years.

That, honourable colleagues, is the raison d'être of this study. I would be pleased to entertain questions at this time.

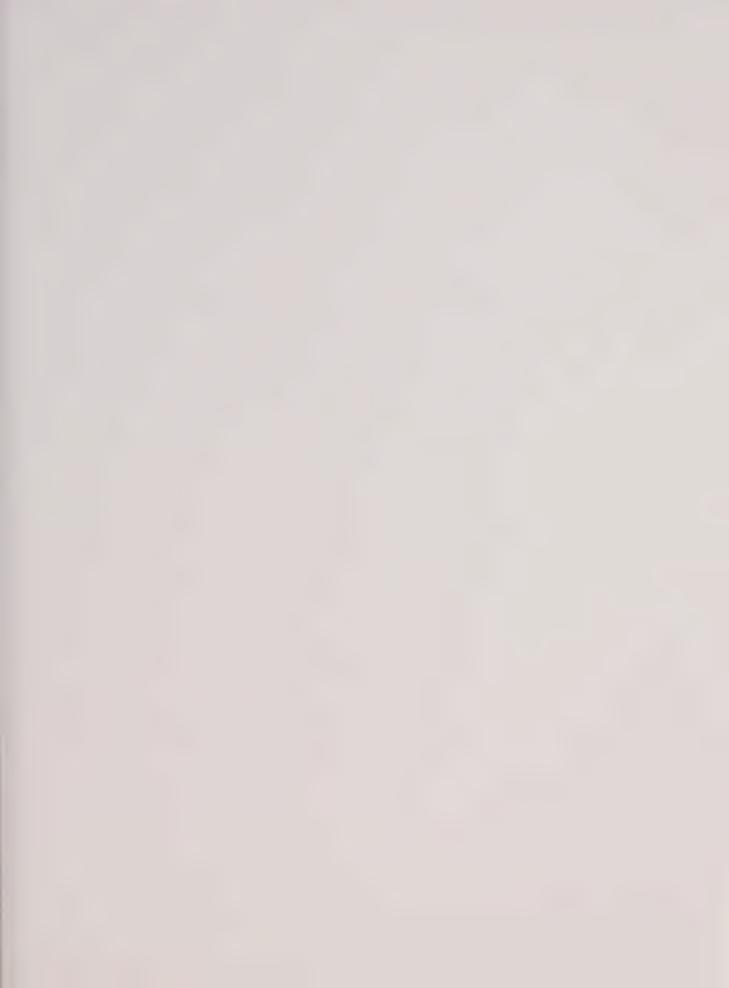
On motion of Senator Stratton, debate adjourned.

The Senate adjourned until tomorrow at 2 p.m.

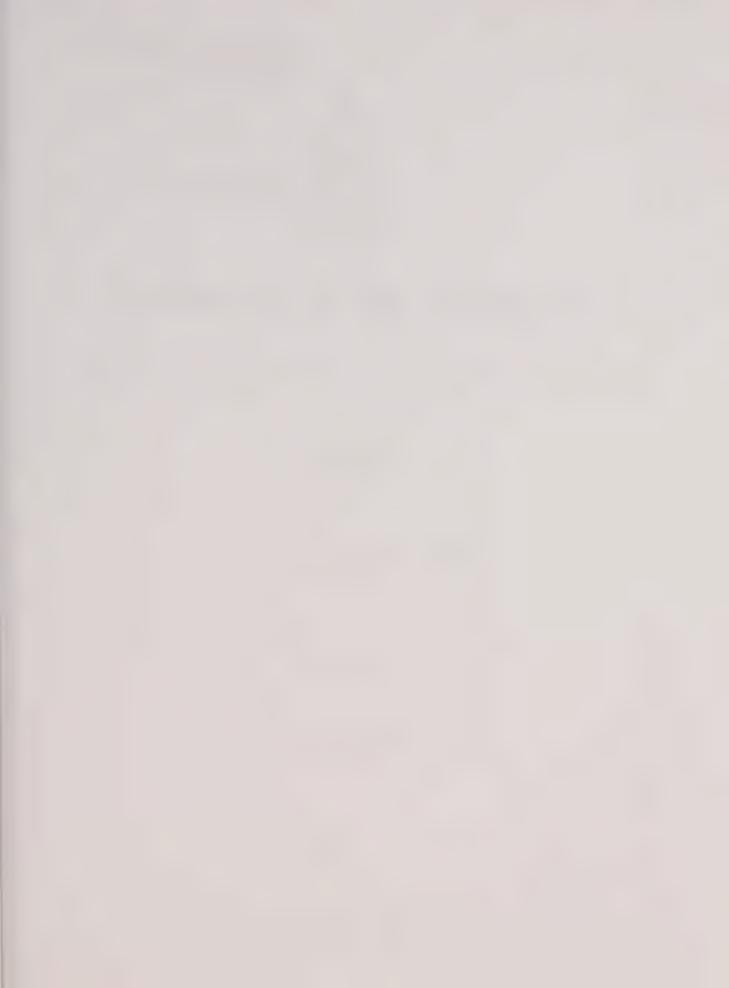
# CONTENTS

Monday, June 20, 2005

PAGE	PAGE
Visitors in the Gallery The Hon. the Speaker	Labrador Inuit Land Claims Agreement Bill (Bill C-56) Second Reading. 1512 Hon. Bill Rompkey 1515 Hon. Ethel Cochrane 1516 Hon. Gerry St. Germain 1516 Referred to Committee 1518
SENATORS' STATEMENTS  Burma Detention of Aung San Suu Kyi. Hon. A. Raynell Andreychuk	The Estimates, 2005-06 Fourth Interim Report of National Finance Committee Adopted. Hon. Donald H. Oliver
Foreign Aid Target Hon. Donald H. Oliver	Appropriation Bill No. 2, 2005-06 (Bill C-58) Second Reading—Debate Adjourned. Hon. Joseph A. Day. Hon. Pierrette Ringuette. 1521
ROUTINE PROCEEDINGS  National Defence Canadian Forces Housing Agency 2003-04 Annual Report Tabled. Hon. Bill Rompkey	Budget Implementation Bill, 2005 (Bill C-43) Second Reading—Debate Adjourned. Hon. Art Eggleton
Social Affairs, Science and Technology Notice of Motion to Authorize Committee to Meet During Adjournment and Sittings of the Senate. Hon. Michael Kirby	Criminal Code Canada Evidence Act (Bill C-2) Bill to Amend—Second Reading. Hon. Landon Pearson. 1528 Hon. Pierre Claude Nolin 1530 Referred to Committee 1532
International Trade Softwood Lumber Agreement—Payment of Industry Legal Fees— Request for Update. Hon. Gerry St. Germain. 1510 Hon. Jack Austin. 1510 Hon. A. Raynell Andreychuk 1510	Highway 30 Completion Bridges Bill (Bill S-31) Third Reading—Debate Adjourned. Hon. Bill Rompkey
Citizenship and Immigration Deportation of Aman Prakash. Hon. A. Raynell Andreychuk	Bill to Amend—Second Reading—Debate Continued. Hon. Noël A. Kinsella
Veterans Affairs Identification of Veterans Exposed to Agent Orange and Agent Purple. Hon. Michael A. Meighen. 1511 Hon. Jack Austin. 1511	Report of National Security and Defence Committee— Report Debated. Hon. Colin Kenny
Delayed Answers to Oral Questions Hon. Bill Rompkey	Report Debated. Hon. Colin Kenny Hon. Noël A. Kinsella Meetings Held in Europe—May 6-May 12, 2005— Report of National Security and Defence Committee—  Report Debated.
Privy Council Office Commission of Inquiry into the Sponsorship Program and Advertising Activities—Strategic Office for Preparing Government Responses. Question by Senator LeBreton. Hon. Bill Rompkey (Delayed Answers)	Hon. Colin Kenny 1534  Hon. Noël A. Kinsella 1534  Report of National Security and Defence Committee Entitled  Borderline Insecure—Debate Adjourned.  Hon. Colin Kenny 1534  National Security and Defence  Committee Authorized to Meet During Sittings of the Senate.
ORDERS OF THE DAY  Business of the Senate	Hon. Terry Stratton
Hon. Bill Rompkey	Holl, Mallett , I Outlin









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CANADA

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Tuesday, June 21, 2005

THE HONOURABLE DANIEL HAYS SPEAKER

# **CONTENTS**

(Daily index of proceedings appears at back of this issue).

Debates and Publications: Chambers Building, Room 943, Tel. 996-0193



# THE SENATE

Tuesday, June 21, 2005

The Senate met at 2 p.m., the Speaker in the chair.

Prayers.

### VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, before proceeding to Senators' Statements, I wish to draw your attention to the presence in our gallery of His Excellency Mohammed R. Al-Hussaini — the Dean of Arab Ambassadors in Ottawa — Ambassador of the Kingdom of Saudi Arabia to Canada, as well as his spouse, Ms. Iman Atallah. Dr. Al-Hussaini will be leaving us to take up his duties as his country's Ambassador in Ankara, Turkey, after having served here for seven years. He is the guest of Senator Prud'homme.

Once again, Dr. Al-Hussaini, welcome to the Senate of Canada.

# SENATORS' STATEMENTS

# ABORIGINAL AWARENESS DAY

Hon. Jack Austin (Leader of the Government): Honourable senators, today Canadians celebrate the ninth anniversary of National Aboriginal Awareness Day, a day to recognize the contributions to Canada of First Nations, Inuit and Métis peoples.

Senators may recall that a former colleague, the Right Honourable Roméo LeBlanc, declared the first National Aboriginal Awareness Day in 1996. This event was originally proposed in 1982 by the Assembly of First Nations, which was then known as the National Indian Brotherhood, and received support from the 1995 Royal Commission on Aboriginal Peoples and the Sacred Assembly, chaired by former member of Parliament Elijah Harper that same year.

Through the Prime Minister's round-table process, a partnership in dialogue between the Aboriginal community and the federal government, we have moved forward in recognizing the Aboriginal reality in Canada and the need to advance the Aboriginal population as full participants in our national economy, while at the same time retaining their identify, culture and language to the greatest extent possible.

Since 1993, the Government of Canada has reached final agreements with many First Nations across the country, among them the Nisga'a, Tlicho and, we anticipate, the Labrador Inuit. Many issues await final resolution on treaty rights and self-government, health care, housing and education, as well as issues facing urban Aboriginal youth that were brought to the fore in an excellent report by the Standing Senate Committee on Aboriginal Peoples.

This fall, the round table will bring together the federal, provincial and territorial first ministers and the Aboriginal leaders, to take the necessary next steps in what I believe will be a watershed meeting.

I should like to tell honourable senators about Sheila Watt-Cloutier, who is but one example of the many good news stories among Aboriginal communities in Canada. Raised in Nunavik, Quebec, following traditional Inuit customs, Ms. Watt-Cloutier has become a prominent voice for her people as well as a world leader on addressing global environmental challenges.

On June 15, Ms. Watt-Cloutier was awarded the Sophie environmental prize, a pre-eminent environmental award established in 1997 by Norwegian author Jostein Gaarder, author of Sophie's World.

In April of this year, Ms. Watt-Cloutier was also named one of seven Champions of the Earth by the United Nations Environment Programme for promoting the Stockholm Convention on Persistent Organic Pollutants, to eliminate pollutants that threaten the Arctic ecosystem.

Over the past decade, Ms. Watt-Cloutier has chaired the Inuit Circumpolar Conference, an organization that represents over 150,000 Inuit in Canada, Alaska, Greenland and Russia.

Ms. Watt-Cloutier has worked with great determination to bring to the world's attention the impact of our changing environment on the Arctic and on the people who live there. Her dedication to this important cause has served as a remarkable example of the power of the individual to change seemingly inexorable global developments. She is an outstanding representative of both Canadian and Aboriginal communities.

By the way, there is another distinguished member of that family whom we know quite well, her brother and our colleague Senator Charlie Watt.

Hon. Gerry St. Germain: Honourable senators, as a Canadian, but particularly as a member and a descendant of the Métis, it is a pleasure to be able to rise in this place and say that today is a special day established to commemorate the contributions of Aboriginal people to Canada.

Canada, its people and its parliamentary system of democracy recognizes that were it not for the generosity of the First Nations of this land Canada would not exist as it does. Because of their culture of sharing the land and the bountiful fruits the land provides to its inhabitants, Canada has become a unique and blessed place in which to live.

Canada is unlike any other country in the world. On July 1, Canadians will celebrate Canada's 138th birthday; they will gather to celebrate our country's uniqueness, diversity, cultures, religions and languages. However, today, June 21, Canada pays special tribute to the Aboriginal people, who first celebrated their culture and heritage at this time of the year.

The First Nations, Inuit and the Métis people's forefathers shared the bountiful land, which fed the new settlers and gave them hope. As Canada stands at the dawn of a second century of Confederation, that same spirit of compassion, respect, freedom and perseverance endures.

• (1410)

My Aboriginal Day message must also be mindful of the tremendous courage and sacrifice Aboriginal men and women have demonstrated in the name of Canada and the pursuit of freedom. Canada's veterans of the past and present have helped to build the peaceful, prosperous nation that Canada is today. The year 2005 is the Year of the Veteran, and it is our obligation to pause to reflect and give thanks to all Canadian veterans, to remember our heroes, to inspire our youth to maintain the hope, and to protect our freedoms and make Canada an even better place to live for future generations.

Aboriginal Day is our day to remember and celebrate the accomplishments of all the Aboriginal people of Canada, people who make Canada, our homeland, one of the best nations in the world.

Honourable senators recognize and celebrate the Aboriginal people, their culture and their contributions. We recognize and celebrate their generosity in sharing the land with people of cultures who now call this place home: Canada. God bless us.

[Translation]

# THE HONOURABLE ROMÉO ANTONIUS DALLAIRE

CONGRATULATIONS ON RECEIVING THE NATIONAL ORDER OF QUEBEC

Hon. Serge Joyal: Honourable senators, it is a great pleasure for me to inform you that tomorrow, June 22, our colleague Senator Roméo Dallaire will be made a Grand Officer of the National Order of Quebec.

In so doing, he will join the ranks of his colleagues, Senator Lise Bacon, admitted to the Order of Quebec in 2003, Senator Lucie Pépin, admitted in 1999, and your humble servant.

The merits of Senator Dallaire are well known. He enrolled in the Canadian army in 1964 and rose to the rank of Lieutenant General. He attended Collège militaire royal de Saint-Jean and Royal Military College in Kingston. After higher command studies in the United States and Great Britain, he held various command positions at Collège militaire royal de Saint-Jean, Valcartier, Saint-Hubert and other locations in Canada and in Germany.

But it was during Senator Dallaire's time in Rwanda as commander of the United Nations Observer Mission — Uganda and Rwanda — and of the United Nations Assistance Mission for Rwanda that his talents began to capture more public attention.

He holds the Meritorious Service Cross, the Vimy Award and the United States Legion of Merit, and was made an Officer of the Order of Canada in 2002. With his investiture tomorrow as Grand Officer of the National Order of Quebec, Senator Dallaire will be entrusted with another mission, one we know he will accomplish with exemplary integrity.

His inestimable experience during the Rwandan genocide has led him to openly question our collective responsibility for the condition of humanity.

[English]

As he stated in January 2003:

I would try to move it to another plateau — the whole arena of conflict of ethical and moral decisions of humanity, the arena in which one could sit back and ponder the following question: are all humans human, or are some more human than others?

[Translation]

Are some human lives more valuable than others and more worthy of our fighting to save them from destruction? Are people less entitled to live, when they inhabit a poor country ravaged by famine, a lack of care and of education, or weigh less in the balance of nations or when their natural resources are less coveted by the major powers? In other words, when they are not the object of people's envy or when they do not appear on the radar of countries seeking new markets or strategic resources or when they do not weigh heavily in regional balances?

In addition to focusing debate on the value of human life, Senator Dallaire makes us look at our collective and individual responsibilities, our responsibilities as a developed country and as citizens of that country and at the measures we have to put in place so that humanity is expressed more in terms of the rights and freedoms that produce a sustainable peace.

Senator Dallaire has our support in his commitment and our congratulations on the mission that has fallen to him on his acceptance of the title of Grand Officer of the National Order of Quebec.

#### SAINT-JEAN-BAPTISTE DAY

Hon. Pierre Claude Nolin: Honourable senators, next Friday, francophones across Canada will celebrate Saint-Jean-Baptiste Day with enthusiasm and pride.

In ancient times, the pagans celebrated the summer solstice with a huge friendship fire, symbolizing the sun at its highest point.

Later, in France, the traditional friendship fire marked the birth of John the Baptist, cousin of Jesus Christ, on June 24.

Once defined as the feast day of the patron saint of Catholic French Canadians, Saint-Jean-Baptiste Day is now an opportunity to pay glowing tribute to the birth of the French fact in North America.

Outside Quebec, French Canadians will celebrate the existence of francophone communities that are flourishing economically, socially and culturally.

In my home province, Saint-Jean-Baptiste Day, now known as Quebec's National Holiday, will be an opportunity for Quebecers of all ethnicities to join together with their families or communities at the numerous neighbourhood events or celebrations.

Together, they will celebrate the vitality of Quebec society and the achievements of the descendants of some 10,000 French settlers who arrived on what was once described as inhospitable soil between 1608 and 1759.

Together, these pioneers laid the foundation for a people who, since the Quiet Revolution, have been loudly and clearly defending their rightful place and distinct character within Canada and internationally.

Honourable senators, despite various unfortunate historical divisions, one fact remains. Francophones are united by their mother tongue, a language that, despite repeated past assaults, has survived and flourished for over 400 years in America.

I can assure you that the French fact will survive for many years to come in Canada, a country that francophones have had a very important hand in building.

Please join me, honourable senators, in wishing the francophones of this country a very happy Saint-Jean-Baptiste Day.

#### **ALBERTA**

#### HEAVY RAINS AND FLOODS

Hon. Marisa Ferretti Barth: Honourable senators, during these early days of summer, nature is rebelling in the Albertan cities of Calgary and Drumheller, causing one of the worst floods in the history of this wonderful corner of Canada.

Massive flooding resulted when the Bow, Elbow and Red Deer rivers overflowed, causing millions of dollars in damage.

Canadians must stand by their fellow citizens in this difficult time, which has dealt Albertans a material and spiritual blow.

I want to send Albertans a message of hope and faith, which I feel are vital to persevering and overcoming adversity.

Such natural disasters are unpredictable. Mother Nature is sending us a message. She is reminding us that she is unpredictable and that she is and always will be the strongest. We must show her the utmost respect.

There is no point in asking why such things happen. Having faith does not always give us the answers, but allows us to accept — resign ourselves — and never stop believing in ourselves.

Such circumstances give people the courage to carry on and rebuild. We have seen the devastation in other countries and how people never stop believing, having faith, despite their material and human loss.

Today, we must convey to Albertans that we support them and are thinking of them. I wish these valiant Canadians all the faith and courage they will need to overcome their suffering and their immense losses. Fellow Albertans, my heart is with you.

• (1420)

[English]

# CANADA-UNITED STATES RELATIONS

OPENING OF BORDER TO CANADIAN CATTLE— COURT CASE IN BILLINGS, MONTANA— AMICUS BRIEF OF CONSERVATIVE PARLIAMENTARIANS

Hon. David Tkachuk: Honourable senators, yesterday, in an unprecedented step, 70 Conservative members of Parliament, six of whom are Conservative senators, won a landmark decision before a U.S. court to file an amicus brief in a Montana court challenge to the USDA's to open the border to Canadian cattle. U.S. District Court Judge Richard Cebull's decision was issued late Friday and was made available to the plaintiff and defendant parties on Monday morning.

Judge Cebull is hearing the case for a permanent injunction against live Canadian cattle and beef exports on July 27. This is historic in that it is the first time that opposition parliamentarians will be given the ability to defend their country's national policies before a foreign court. According to international law expert Barry Appleton, counsel for the Conservative parliamentarians, this U.S. court decision marks the turning point for the recognition of Canadian MPs by the U.S. courts. This decision demonstrates the valuable contribution that MPs and senators can make to legal disputes in the United States that involve key Canadian interests.

Honourable senators, with their amicus brief, the Conservative parliamentarians will be the lone representative of Canada's legislature in the R-CALF/USDA court case in Billings, Montana. The Government of Canada unsuccessfully applied for this same status and was turned down by the judge. Canada's Liberal government never appealed the judge's dismissal of its own amicus application.

As a result, Canada's 70 Conservative Party parliamentarians will be the only federal representatives from Canada's Parliament with the status to defend Canada in this court action. Clearly, by achieving amicus standing in the Billings court, the Conservative Party of Canada succeeded where the Liberal government failed. We Conservative senators and parliamentarians look forward to bringing the breadth and depth of our commitment to Canada's agriculture in Judge Cebull's court in Montana. Conservatives will stand up and defend our producers when and where it counts the most. I know the Senate of Canada will support them as well.

# **ROUTINE PROCEEDINGS**

## ABORIGINAL HEALING FOUNDATION

2004 ANNUAL REPORT TABLED

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour to table, in both official languages, a document entitled Annual Report 2004: Aboriginal Healing Foundation.

# LABRADOR INUIT LAND CLAIMS AGREEMENT BILL

#### REPORT OF COMMITTEE

Hon. Nick G. Sibbeston, Chair of the Standing Senate Committee on Aboriginal Peoples, presented the following report:

Tuesday, June 21, 2005

The Standing Senate Committee on Aboriginal Peoples has the honour to present its

# SIXTH REPORT

Your Committee, to which was referred Bill C-56, An Act to give effect to the Labrador Inuit Land Claims Agreement and the Labrador Inuit Tax Treatment Agreement, has in obedience to the Order of Reference of Monday, June 20, 2005, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

## NICK G. SIBBESTON Chair

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Rompkey, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

# DEPARTMENT OF FOREIGN AFFAIRS AND INTERNATIONAL TRADE ACT

BILL TO AMEND—FIRST READING

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I have the honour to present Bill S-41, to amend the Department of Foreign Affairs and International Trade Act (human rights reports).

Bill read first time.

The Hon. the Speaker: Honourable senators, when shall this bill be read the second time?

On motion of Senator Kinsella, bill placed on the Orders of the Day for second reading two days hence.

[Translation]

# INTER-PARLIAMENTARY FORUM OF THE AMERICAS

MEETING OF WOMEN PARLIAMENTARIANS MARCH 20-22, 2005—REPORT TABLED

FOURTH PLENARY MEETING, MAY 19-22, 2005—REPORT TABLED

Hon. Céline Hervieux-Payette: Honourable senators, pursuant to rule 26(3), I have the honour to table, in both official languages, two reports by the Canadian delegation to the Inter-parliamentary Forum of the Americas. The first concerns the meeting of women parliamentarians of the Americas of FIPA, held in Bridgetown, Barbados, from March 20 to 22, 2005. The second concerns the fourth plenary meeting, held in Brasilia, Brazil, from May 19 to 21, 2005.

# LEGAL AND CONSTITUTIONAL AFFAIRS

# COMMITTEE AUTHORIZED TO MEET DURING SITTING OF THE SENATE

Hon. Lise Bacon: Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(a), I move:

That the Standing Senate Committee on Legal and Constitutional Affairs have power to sit at 4:00 p.m. on Wednesday, June 22, 2005, even though the Senate may then be sitting and that Rule 95(4) be suspended in relation thereto.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

[English]

#### RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO STUDY PARTICIPATION OF SENATORS IN TELEPHONE OR VIDEO CONFERENCES DURING COMMITTEE MEETINGS

**Hon. Joan Fraser:** Honourable senators, I give notice that at the next sitting of the Senate I shall move:

That the Standing Committee on Rules, Procedures and the Rights of Parliament be authorized to examine and report on the participation of senators by telephone or videoconference during public and in camera meetings of select committees.

# **QUESTION PERIOD**

#### CANADA-UNITED STATES RELATIONS

# NORTH DAKOTA—DEVILS LAKE DIVERSION

Hon. Janis G. Johnson: Honourable senators, we seem to be getting two different versions of events as to why the Devils Lake water diversion project is being delayed. The federal government is claiming that the delay is to allow for negotiations between Canada and U.S. officials to take place. However, the Government of North Dakota has contradicted this version of events. According to the office of the Governor of North Dakota, John Hoeven, wet weather, which has stalled construction on the project, is the only reason that a diversion outlet will not open as expected on July 1.

My question is to the Leader of the Government in the Senate. Whose version of events is correct? As well, what assurances does the federal government have that North Dakota will not move to open the outlet once the weather-related issues clear up?

Hon. Jack Austin (Leader of the Government): Honourable senators, the query by Senator Johnson is understandable. There have been diverse reports about the reasons for the delay. I cannot sort out the background for those diverse reports, but I can advise honourable senators that the Government of Canada has been assured that North Dakota will not open its outlet as long as discussions are continuing with the U.S. Council on Environmental Quality. That information is as recent as this morning.

• (1430)

Senator Johnson: In the current talks on the diversion project, the possibility of adding a multimillion dollar sand filter to the Devils Lake outlet has been raised as a way of resolving the impasse over the project.

I realize there were further developments this morning, but what is the federal government's preference at this time? Would the government prefer to continue to press for a full International Joint Commission reference, which has been Canada's position for the past 15 months, although the Bush White House has never responded to it? Would a reference to the IJC be the government's preference, in a bid to completely stop the project, or is the government more interested in finding a non-IJC solution, such as installing a sand filter or agreeing to water-quality monitoring? I realize these items are probably on the negotiating table now. If we do not abandon the IJC, would it oversee the implementation of the project?

Senator Austin: Honourable senators, negotiations are under way, and they do relate to the possibility of a sand filter, which would protect downstream waters from the movement of organisms and parasites. Part of the ongoing discussion at this stage relates to whether there is sufficient evidence supporting the effectiveness of a sand barrier.

With respect to the IJC, we are looking for an IJC-like conclusion to these negotiations. We wish to find a solution that both addresses our environmental concerns and alleviates the problems in North Dakota caused by the pressures of water rising

in Devils Lake. We are open to a science-based solution that is fair to all interested parties. At this stage, there are some who believe an IJC process would not assist North Dakota in resolving its problem but that an IJC-type solution through negotiation would be the better way to go.

With respect to the ongoing supervision, I cannot report at this stage whether the negotiations would result in the IJC being handed an operating overview of the installation and operation of whatever facilities are put in place, but it would be the customary practice to give the IJC that assignment.

Hon. Terry Stratton (Deputy Leader of the Opposition): I realize that a science-based solution is preferable, but there is some evidence that sand filters do not work. I recall having a swimming pool with a sand filter, and it required constant back washing. I expect the effectiveness of sand filters would be somewhat suspect, to say the least.

I am concerned about the failure of these talks. We have been around this mulberry bush a few times now, and we not getting anywhere. What happens should these discussions fail? The gates are open; the water flows. Does that put the whole IJC agreement, which dates back to 1909, into jeopardy?

I realize the Leader of the Government has answered this question before, but I am seeking a more specific answer, because the issue has large ramifications, not only in terms of the Red River Basin and Lake Winnipeg, but with respect to other waterways that cross the international borders.

Senator Austin: At this stage, any response would be hypothetical, and it is generally unwise to speculate. Nonetheless, I can assert that it would not be a positive step in Canada-United States relations for the United States unilaterally to alter the normal run of cross-boundary rivers. Indeed, that action would be contrary to the letter and spirit of the International Boundary Waters Treaty Act, 1909.

This matter is within federal jurisdiction in the United States, as it is in Canada. Honourable senators are aware that the International Boundary Waters Treaty Act, 1909, was known as a British Empire treaty. It came before the Statute of Westminster in 1931, and it was signed by the British government on behalf of Canada. Therefore, it had the effect under the British North America Act of altering provincial jurisdiction where there might have been a conflict.

The United States is the treaty partner and is responsible for the conduct and behaviour of the State of North Dakota in terms of our bilateral relationship and in terms of international law. We are far from there, I hope, at this stage.

In further response to Senator Stratton's question, I would refer honourable senators' attention to the Kootenay River in British Columbia. The Kootenay River flows from the East Kootenay Trench in the southeast of B.C. into the United States. The State of Montana has objected to British Columbia's plans for the development of coal property some 20 kilometres north of the border. The State of Montana fears that coal particulates will be washed into the United States and is making reference to Canada's international obligations under the International Boundary Waters Treaty Act, 1909.

Can the United States have it both ways? Has the United States had it both ways before? I do not know the answer to those questions.

[Translation]

## **OFFICIAL LANGUAGES**

ANNUAL REPORT OF COMMISSIONER—PRINCE EDWARD ISLAND—SERVICES TO ACADIANS

Hon. Gerald J. Comeau: Honourable senators, in response to a recommendation by the Senate Committee on Official Languages, the Commissioner of Official Languages, in her sixth report, has issued a first report card pinpointing the successes and failures of federal government institutions in implementing the Official Languages Act.

The National Capital Region obtained 100 per cent. The government leader is no doubt aware that his region of British Columbia got 88 per cent. However, Prince Edward Island was graded a pitiful 31.8 per cent, which is totally unacceptable.

Following on the 250th anniversary of the deportation of the Acadians, and the supposed support by the Liberal Party to official language minority communities, can the leader tell us whether the government will be taking steps to improve the serious situation being faced by the Acadians of Prince Edward Island?

• (1440)

[English]

Hon. Jack Austin (Leader of the Government): I cannot provide a response to Senator Comeau at the moment, but I will quickly make inquiries. I do not know whether the Chair of the Standing Senate Committee on Official Languages is in a position to assist Senator Comeau today.

[Translation]

## SOCIAL DEVELOPMENT

PRINCE EDWARD ISLAND—TIGNISH REGION FINANCIAL SUPPORT FOR SCHOOL

Hon. Gerald J. Comeau: Could the leader also inquire about the lack of progress by the federal government in the plans for the construction of the Centre communautaire de Prince-Ouest school, in the Tignish region, where there is a strong concentration of Acadians?

The provincial government has committed firm funding, whereas the federal government is still delaying this important project.

Could the minister promise to intervene as soon as possible with his cabinet colleagues to get this project completed for Acadians in Prince Edward Island? [English]

Hon. Jack Austin (Leader of the Government): I will speak to the appropriate ministers to ascertain the situation.

#### **HERITAGE**

LIVE 8 CONCERT—COSTS OF STAGING AND CLEANUP

Hon. Donald H. Oliver: Honourable senators, my question is directed to the Leader of the Government in the Senate. This morning it was announced that Canada will participate in a series of Live 8 concerts to be held around the world on July 2. It is hoped that the concerts will raise awareness of global poverty and put pressure on the G8 countries at the summit in Scotland to increase their aid to Africa and cancel the debt of poor nations.

When the concerts were first announced, Mr. Gordon Brown, Great Britain's Chancellor of the Exchequer, said that the British government would waive the costs associated with the staging and cleanup of the concert in London.

Could the Leader of the Government in the Senate tell us whether the federal government will waive the costs associated with the staging and cleanup of Canada's Live 8 concert?

Hon. Jack Austin (Leader of the Government): Honourable senators, I cannot respond to that question at this moment, but I will endeavour to do so before the week is over.

## FOREIGN AFFAIRS

TIMETABLE FOR AID TARGET OF 0.7 PER CENT

Hon. Donald H. Oliver: Honourable senators, two weeks ago, Mr. Stephen Lewis, the United Nations Special Envoy for HIV/AIDS in Africa, called upon the federal government to set a timetable by which it will meet a commitment to set aside 0.7 per cent of our GNP for foreign aid by the year 2015. Every G8 nation other than the United States and Canada has set out a schedule to meet this goal. Our Prime Minister and Minister of Finance have so far, however, refused to do the same for our country.

Could the Leader of the Government in the Senate tell us, in advance of the G8 summit, if the federal government will announce its willingness to set out a timetable by which we will meet our foreign aid target of 0.7 per cent of GNP?

Hon. Jack Austin (Leader of the Government): Honourable senators, I have no answer to that question at the moment. I have not seen the agenda of the Gleneagles meeting of the G8. When an announcement is made, Senator Oliver will probably hear it as soon as I do, if not before.

[Translation]

# ORDERS OF THE DAY

# HIGHWAY 30 COMPLETION BRIDGES BILL

THIRD READING

On the Order:

Resuming debate on the motion of the Honourable Senator Rompkey, P.C., seconded by the Honourable Senator Losier-Cool, for the third reading of Bill S-31, to authorize the construction and maintenance of a bridge over the St. Lawrence River and a bridge over the Beauharnois Canal for the purpose of completing Highway 30.

Hon. Pierre Claude Nolin: Honourable senators, less than two weeks ago I stressed the need for this house to pass Bill S-31 quickly in order to authorize construction of two bridges that will permit the completion of Highway 30 in Quebec.

At the risk of repeating myself, the work has to be carried according to a very tight schedule. Everything must be completed by December 31, 2009, in slightly more than four years.

In my speech at second reading, I indicated that the Standing Senate Committee on Transport and Communications had to examine two important aspects of the bill and the federal government policy underlying it.

The first concerned the operation of the public and private sector partnership that will permit the construction of the two bridges joining the Beauharnois Canal and the St. Lawrence River to complete the section from Châteauguay to Vaudreuil-Dorion.

The second concerned the delays that could be incurred because of the federal government's involvement in the planning and approval of the construction of these two major pieces of the highway infrastructure.

Honourable senators, I am pleased to tell you that we received satisfactory answers on both these points from the Minister of Transport and his officials, when this legislation was studied in committee.

Let us begin with the selection of a private partner to complete the two bridges.

Honourable senators, the members of the committee were reassured that the fall 2005 deadline for that part of the project respected the terms of the March 2003 agreement reached between the federal government and the Government of Quebec for completing Highway 30.

This is quite significant since the Minister of Transport said last March in an interview for *La Presse* that he was prepared to drop

the private-public partnership concept for completing the project if private-sector involvement continued to raise problems that postpone construction.

According to him, the financial perspective of this scenario did not seem as interesting as expected and since this is a highway like any other he wondered about the need for it to be tolled.

Although it seems as if the deadline is being respected, the minister did say that, in the worst-case scenario, if the private sector no longer shows any interest in the project, the obligation to achieve results remains the same for both the federal government and the provincial authorities, as stipulated in the 2003 agreement.

As the Minister of Transport rightly reminded us during his appearance before the committee:

All politicians nearly lost their reputation in the Highway 30 project. No one believes us. We want to prove people wrong and show them that we are telling the truth.

Thus, both levels of government will have to fully fund the construction of the section from Châteauguay to Vaudreuil-Dorion if the optimistic December 2009 deadline is to be reached.

That said, let us now move on to the issue of the federal government's contribution to planning the work, which involves an environmental impact assessment of the bridge sites under the Canadian Environmental Assessment Act.

The environment is a jurisdiction shared between both levels of government under the Constitution Act, 1867, and the law applies to projects for which the Government of Canada has decision-making authority, whether as a promoter, lands administrator, financial contributor, or regulatory agency.

We all know that this process, while necessary, is frequently long and tedious because it is in addition to the provincial process. This can delay by several months the start of construction on highway infrastructure that is central to Canada's economic development.

Once again, Department of Transport officials reassured the committee members that these assessments were already under way. Their aim is to identify the potential environmental impact during construction of the bridges and to recommend ways to minimize any major environmental damage that could result.

To this end, the Canadian Environmental Assessment Agency, which is the lead agency here, is working in close collaboration with the Quebec authorities in order to avoid any delays or overlap in the process.

Officials stated that, if there were a delay, it would not be because of the environmental assessments.

In conclusion, honourable senators, all that remains is to hope that the federal and Quebec governments will spare no effort to maintain the climate of cooperation and good will that currently exists with regard to Highway 30, in order to relieve congestion on our highways in the Greater Montreal area by December 2009.

• (1450)

As a Quebecer and, above all, a Montrealer, I believe that it has taken too long to complete Highway 30 and I feel, as does the Minister of Transport, that it is time to do away with the public's cynicism in this regard.

In 1961, President John F. Kennedy promised that an American would walk on the moon by the end of the 1960s. He kept his word. Today, the federal government is promising that by the end of this decade drivers and truckers will be happily using Highway 30 to bypass the island of Montreal and its notoriously crowded roads.

Bill S-31 contributes to achieving this objective and, for this reason, I wholeheartedly support it at third reading.

The Hon. the Speaker: Are honourable senators ready for the question?

Hon. Senators: Question!

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to and bill read third time and passed.

# ECONOMIC DEVELOPMENT AGENCY OF CANADA FOR THE REGIONS OF QUEBEC BILL

#### THIRD READING

Hon. Céline Hervieux-Payette moved third reading of Bill C-9, to establish the Economic Development Agency of Canada for the Regions of Quebec.

She said: Honourable senators, it is a privilege for me to speak as we come to the end of second reading of Bill C-9, to establish the Economic Development Agency of Canada for the Regions of Quebec.

Bill C-9 sets the parameters by which the Government of Canada intends to contribute to the economic development of Quebec. Consideration of this bill began last fall. Canada Economic Development, under the various names it has had over the years, has been working for about 40 years to support the spirit of entrepreneurship in women and men, the young and not so young, to help them contribute to regional economic development.

Bill C-9, once adopted, will give Canada Economic Development the flexibility and tools it needs to stimulate development and apply an integrated federal strategy. Furthermore, the agency will be in a better position to represent the views and interests of Quebec regions in the elaboration of different national policies and programs.

CED's partners in the field, whether from business or community backgrounds, are very much in favour of this change in status. These include the Canadian Federation of Municipalities, which, through its membership of 199 Quebec municipalities, has voiced its formal support of Bill C-9.

Economic regional development is not just for small and medium businesses or entrepreneurs. It is also for the community, and the community must be fully involved and take it in hand in order to ensure success. A number of regions in Quebec are having trouble adapting. For the most part, these are at a distance from Quebec's major centres. Their economies are mainly natural resource-based. Among these are: Gaspé, the Magdalen Islands, Abitibi-Témiscamingue, the North Shore and Northern Quebec.

In addition, many communities in Quebec are vulnerable and depend on one main employer or a dominant sector of activities. We have, collectively, a number of challenges to meet, and each day that passes in the current economic climate reminds us as Canadians of our overseas businesses or, on the contrary, a plant that has to close for lack of an economically viable market for its products.

I need only mention here the difficulties faced by businesses in the textile sector to convince you of the importance of having everyone — managers and staff of businesses, volunteers working in communities, players in regional development and governments — pay full attention to innovation and improved productivity in our businesses.

Through its IDEA-SME program, Canada Economic Development directly supports businesses involved in targeted projects — such as in export and innovation — that are setting out on the path to the future. In 2002, many new businesses created in Quebec had fewer than 100 employees.

Today, the world is presenting opportunities for us to create wealth and is encouraging us to become more productive, inventive and flexible. A number of businesses and sectors of activity in Quebec are still too vulnerable to sudden changes in the world economy. So, it is up to responsible government, such as ours, to support our businesses and guide them so they can adjust or change their approach, their manufacturing processes or their products.

Within the context of its various programs, Canada Economic Development has contributed to the pre-start-up and start-up of nearly 2,800 businesses across Quebec.

As a general rule, the businesses receiving funding from Canada Economic Development significantly increased their annual sales and number of employees. Close to three-quarters, 73.9 per cent, of the businesses would not have been able to bring their projects to fruition without its financial support, while others could not have done it at the same rate or with the same scope. Moreover, the agency's average cost recovery is 75 per cent of the repayable contributions, one of the government's best.

Honourable senators, I want to point out that the softwood lumber dispute with the United States led the Government of Canada to put forward various measures, particularly in Quebec, in support of businesses and communities in crisis.

Canada Economic Development created a program to help those regions in Quebec hit hard by this dispute. This program focuses on the diversification of affected regions and the creation of new niches.

For the year 2003-04, the agency approved 295 projects for approximately \$32 million. This support allowed some 2,300 jobs to be maintained and another 1,700 jobs to be created in those communities affected by the softwood lumber crisis.

In the Gaspé and Magdalen Islands region, which was particularly affected by the moratorium on cod fishing, Canada Economic Development created a special renewal program. Right from the start, this initiative aimed to contribute to economic diversification by ensuring that new development opportunities were not overlooked. This program has also made it a priority to support various activities with spin-offs and a promising long-term future.

Honourable senators, there is no longer any doubt today that the social economy makes a significant contribution to the success of our communities. In economic terms, it leads to job creation and wealth. Its also makes a significant social contribution since it helps reinforce community cohesion by fighting the youth drain, in particular, and the marginalization of some members of our society.

Under the terms of Bill C-9, the minister responsible for Canada Economic Development must cause to be laid before each House of Parliament a comprehensive report evaluating all the agency's activities.

In closing, I want to invite all senators to vote in favour of Bill C-9 so that Canada Economic Development can have the tools and flexibility it needs to continue its work with Quebec companies and communities.

(1500)

I am sure that every effort will be made by Canada Economic Development to respond to the aspirations of the people of the regions of Quebec.

It is an extremely important mandate, honourable senators, and Bill C-9 will allow us to make the efforts Quebecers want us to in order to achieve it.

Hon. Pierre Claude Nolin: Honourable senators, I am pleased to speak at third reading stage of Bill C-9, to establish the Economic Development Agency of Canada for the Regions of Quebec.

During my speech on June 8, I indicated that a media line published by the government mentioned that this enactment did not make any changes to the mandate or operation of the agency. Nevertheless, I still wanted to get some clarifications on one of the provisions of the bill during the work of the Standing Senate Committee on National Finance.

On this side of the chamber we are most certainly in favour of federal economic development policies for the regions of Quebec. We hope they are drafted and applied based on the specific needs of the regions of Quebec, especially those experiencing major economic difficulties. We also want such policies to be

transparent and productive. Subclause 16(4) of Bill C-9 stipulates that in order to exploit the opportunities for improvements in employment identified in a designated area or community, regulations specially applicable to that area or community may be made that vary from regulations of general application to Ouebec.

A similar provision already exists in the Atlantic Canada Opportunities Agency Act. Since this was an extraordinary power being entrusted to the minister responsible for the Economic Development Agency of Canada for the Regions of Quebec, it was important to determine how he would be supported.

It is an important issue, since the definition of "designated areas" and the criteria used in their creation will be determined by regulation. When he appeared before the committee, the minister responsible for the agency, Hon. Jacques Saada said that this provision, while extraordinary, was necessary. Its aim was to ensure greater flexibility in federal government interventions in regions requiring a quick intervention to support businesses temporarily in serious economic difficulties.

By way of example, when Bill C-9 is passed, the federal government could use it to attenuate the negative economic effects of the new forest management policy announced by the Quebec government in May. This policy provides for a 20 per cent reduction in the annual allowable cut, something that threatens the survival of many sawmills and hundreds of jobs. The regions affected by this decision, which my colleague cited, such as the Outaouais — yes, right here — in Abitibi-Témiscamingue, the Saguenay—Lac-Saint-Jean area and the North Shore could be declared designated areas under this new provision. The minister reassured members of the committee that this power would not be used indefinitely. According to him, it will be rigorously monitored to ensure that federal aid for regional development does not take the place of the efforts by the communities and the businesses in the designated areas to improve their economic situation.

The Conservative Party subscribes to that approach. With the reassurance provided by the minister, I would encourage all senators to support Bill C-9 at third reading.

Honourable senators, I will just refer in closing to a point that I feel is important: that the statements on designated zones must respect subclause 2 of clause 10 of Bill C-9, as well as subclause 1 of clause 11.

I will explain. These two significant provisions, which I explained in great length on June 8, specify that the federal government must define its regional development interventions in conjunction with the Quebec and local authorities. It is my sincere belief that the minister responsible for the Canada Economic Development Agency for the Regions of Quebec ought to also apply them when establishing the designated zones.

In other words, I hope that the Government of Quebec will be consulted and that this will not be a unilateral decision, although I doubt the minister would act unilaterally. His assistance must, first and foremost, meet the immediate needs of the regions

affected by a temporary economic crisis and not be intended to achieve other objectives. Thus the cooperation between the two levels of government is crucial to guarantee the success of the measures undertaken in a designated zone.

I therefore encourage honourable senators to adopt Bill C-9 at third reading.

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to and bill read third time and passed.

[English]

# **APPROPRIATION BILL NO. 2, 2005-06**

#### SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Day, seconded by the Honourable Senator Banks, for the second reading of Bill C-58, for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2006.

Hon. Donald H. Oliver: Honourable senators, through Bill C-58, we are being asked to approve \$46 billion of the spending outlined in the Main Estimates. This essentially represents the \$66 billion amount of non-statutory spending set out in the Main Estimates minus the funds that we voted through the interim supply in March.

Yesterday, Senator Day provided a rather detailed summary of the highlights of that spending, so I will not repeat his remarks, but I would like to point out to honourable senators that Senator Day neglected to mention two items that had the attention of members in the other place: the \$85 million annual cost of running the firearms registry, which does not work, and the \$1 million cost of setting up a war room in the Privy Council Office to deal with the Gomery inquiry.

The background of this supply bill is the same as that of every other supply bill. We do this almost as a matter of routine each March, June and December. The process of supply exists because the government of the day needs Parliament's permission to spend money, and spending authority granted through the estimates is usually only for one fiscal year. The executive cannot run the affairs of state without coming to Parliament for permission to spend money. Very simply, supply is the process through which the government receives approval to spend from Parliament and, thus, is at the heart of our system of parliamentary government.

In some cases, such as Old Age Security and interest on the debt, we have already given approval through existing statutes. In other cases, we are called upon to vote the required sums. Through the estimates, we are informed of the government's

spending plans and are afforded the opportunity to question those plans and to deny some or all of the funds requested, although this power is rarely exercised.

Supplementary estimates seek additional spending authority later in the year. In an ideal world, there would be very little need for supplementary estimates because the Main Estimates would cover virtually all of the government spending, but certainly not all needs can be foreseen in advance, the flood waters now advancing through Alberta being a very real and current example. Further, in some years, the decisions made as part of the budgetary process come too late to be included in the Main Estimates.

In my remarks on Bill C-43 last night in this chamber, I gave the example of the \$70 million for sports that will be advanced in Supplementary Estimates (B) as well as new funding for defence. We sometimes wonder, however, if some of those spending decisions are held back for purposes of allowing the Minister of Finance to announce them in his budget, making it easier for him to sell the entire package.

• (1510)

Both our chamber and the other place have longstanding processes in place for the examination of estimates — processes that are intended to ensure that supply is obtained in a timely fashion. If not, our staff would be rather upset if their paycheques were delayed.

Several years ago, the other place adopted a process by which estimates and supplementary estimates are referred to the various standing committees for examination and then, if they have not been reported by a set date, are deemed to have been reported. As long as the government adheres to the parliamentary calendar for tabling estimates and provides the opposition with a set number of supply days in which they may pick up the business to be debated, at the end of the last supply day, the other place deals with the appropriation act at all stages.

Here in the Senate the process is different. Estimates and supplementary estimates are traditionally referred to the Standing Senate Committee on National Finance, which has as its field of interest government spending, either directly through the estimates or indirectly through bills. While we will question officials from the Treasury Board on the contents of the Main Estimates and supplementary estimates at an early date, the estimates are before our committee for an entire year, a 12-month period, allowing us to conduct more detailed studies of several areas of expenditure, such as this spring's examination that we conducted on foundations.

As the estimates are before us for an entire year, and because Treasury Board officials have already been questioned on the spending in the bill, we do not usually send a supply bill to another standing committee.

While we have the power to hold up supply and to reduce certain amounts, it would be highly unusual for us to do so in this chamber. In the last dozen years, the official opposition has always cooperated in ensuring that supply bills are passed on time. We trust that, when the Conservatives are sitting on the government side of this chamber, honourable senators opposite will extend the same courtesy to us.

Honourable senators, the exception to the rule that spending must be approved by Parliament is the special warrants issued by the Governor General when Parliament is dissolved for an election, and that could very well have been the case this spring had events turned out differently. There is still a very good chance that the special warrant device will be used later this year. If the government were to lose the confidence of the other place this autumn, some of the spending that would normally be approved through Supplementary Estimates (A) in December would likely be authorized through warrants. If the Prime Minister calls an election as promised, 30 days after Justice Gomery reports, then there is a good chance that Parliament may not yet be in session in March when the time comes to vote Supplementary Estimates (B), or next year's interim supply.

I would urge the government to be careful in the manner in which it uses this device in approving new spending. Four and one half years ago, following the 2000 election, special warrants, you will recall, were used to send heating rebate cheques to prisoners and the grateful dead.

Finally, honourable senators, I would make a brief observation about a bill that is not yet before us but which may be shortly. Before we rise for the summer, it is expected that the government will ask that we approve some \$4.5 billion in spending through Bill C-48, the so-called NDP budget bill. While its main purpose is to allow the government to spend money, as some have suggested, on almost anything and by just about any means, it is far from being the kind of spending bill that we are used to receiving in this chamber.

Unlike the estimates, which are at least part of a plan, there is virtually no detail in that bill. We understand that officials who would normally provide details in committee on how the money is to be spent are themselves still trying to sort this out. The government should not expect as easy a ride with a Bill C-48, if and when it should arrive, as it will receive this week with Bill C-58.

Motion agreed to and bill read second time.

The Hon. the Speaker pro tempore: When shall this bill be read the third time?

On motion of Senator Rompkey, bill placed on Orders of the Day for third reading at the next sitting of the Senate.

# **BUDGET IMPLEMENTATION BILL, 2005**

SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Eggleton, P.C., seconded by the Honourable Senator Robichaud, P.C., for the second reading of Bill C-43, to implement certain provisions of the budget tabled in Parliament on February 23, 2005.

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I am pleased to rise today to speak to Bill C-43, entitled the Budget Implementation Bill, 2005. Some improvements have been made to the bill since it was first tabled. Perhaps it is more accurate to say that we managed to salvage something out of it, thanks to the hard work of our Conservative colleagues in the other place.

In particular, large employers will continue to see some tax relief, for now, anyway. The Liberals have been most unclear about just where they stand in this matter and what will happen in the coming months. Originally they said that they wanted to implement tax cuts because it would create jobs. Then they played partisan politics, linked up with the NDP to save their political skins, and said they would strike this clause from the bill. A splash of cold economic reality, thrown in by the people who actually employ Canadians, woke them up, and they put the provision back into the bill.

However, because the Liberals wanted to hang on to their new NDP buddies, they tabled Bill C-48, the NDP budget bill, which will undo the tax cuts to Canadian employers. This is unfortunate, because, according to the C.D. Howe Institute, undoing the tax cuts could cost as much as 340,000 jobs.

We should not worry because the Liberals have said that they will undo the damage done by that bill at some point down the road.

This clear-as-mud type of policy-making indicates little planning or forethought and is typical of this Liberal government. It is what Canadians will have to put up with until the next election. My only hope is that, until that time, the government will not have done too much damage, committing tax dollars we have not yet collected or promising away government funds for years to come.

Ironically, Paul Martin, who has spent or promised away \$28 billion since he begged Canadians not to fire him in April, lays claim to slaying the deficit. Our new colleague, Senator Eggleton, also pointed out that, since 1997-1998, the government has reduced the federal debt by a fair amount. What these Liberals failed to mention was that they were able to bring down the deficit and lower the debt thanks to the policies of the Mulroney Conservative government.

Senator Kinsella: Here, here!

Senator Stratton: I thought you would like that line.

Remember the GST that Jean Chrétien promised to cut? Remember that? By March 2006, the Liberals will have collected \$284 billion from that same GST, the one they promised to cut—\$90 billion in the last three years. They have collected \$90 billion in the last three years. Remember that. They have collected \$284 billion.

The difference between the Liberals and the Conservatives is that the Liberals, through heavy taxes, waste, corruption and just plain bad policy-making are forcing Canadians to bear an ever-growing financial burden. The HRDC boondoggle, the gun registry and adscam are just a few examples of how the Liberals have thrown away taxpayers' dollars.

• (1520)

In Paul Martin's second budget as finance minister, he cut what would be a cumulative \$25 billion from cash payments Ottawa gives to the provinces for health care. The provinces were forced to respond by cutting the health care they provide to Canadians. The inevitable happened. Just this month, the Supreme Court of Canada found that in at least one province waiting lists in the public health care system are so long they violate a person's right to life, liberty and the security of the person. In other words, the Liberals may have slain the deficit, but they did it on the backs of Canadians and in violation of the Charter of Rights and Freedoms.

Remember: \$25 billion, health care; \$284 billion, GST.

Honourable senators will recall that, last year, Tax Freedom Day fell on June 28, just about halfway through the year. According to the Fraser Institute, the total tax bill of the average Canadian family has increased by 1,550 per cent since 1961.

In addition to the GST, Canadians are paying through the nose on income taxes, CPP premiums, property taxes, sales and excise taxes, motor vehicle taxes and, in particular, Employment Insurance premiums — surprise, surprise! The Liberals have taken the Employment Insurance account and have turned it into a cash cow. By March 2006, the EI account will have a cumulative surplus of an unprecedented \$49 billion.

Remember: \$25 billion, health care; \$284 billion, GST; and now EI, \$49 billion — for a total of \$358 billion. Do Liberals expect the Canadian people to believe that that is good management? Taxpayers' money is being wasted, and the Liberals are foolishly telling them that their money is being well spent.

Senator Kinsella: What have they done with the money?

Senator Austin: Are Canadians better off now than they were in 1961 or 1991 or 2001? The answer is yes.

**Senator Tkachuk:** No, they are not. Canadians are poorer today than they were 10 years ago.

Senator Stratton: The 2005 Budget does change how EI premiums will be set, but the surplus in the account will remain and it will play no role in setting those premiums. The original reason for an EI surplus was to provide a cushion to prevent future premium increases. I suppose the EI surplus could be used to pay for the ballooning costs of the gun registry, or the next sponsorship scandal or boondoggle that might be lurking around the corner.

This government has proved itself to be quite creative in finding ways to waste Canadians' money. I am concerned that the early learning and child care initiative could be a problem. Honourable senators, look at what the budget is actually offering and contrast it with the real needs of Canadians.

Bill C-43 allows \$700 million to be paid to a trust fund that would make money available to the provinces for early childhood education and child care. The budget assumed no transfers during fiscal 2005-06 and payments totalling \$4.3 billion in the following four years.

There is little detail in this plan, which previous experience has shown is a recipe for bureaucratic growth and skyrocketing costs. There is little flexibility here.

How will it help families who live or work outside of an urban centre, or families who rely on shift work or part-time work, or families where one parent stays at home or works from home? These are the people who need child care support the most and they are the ones who will not get it under such a structured program.

We need to be sure that we are putting in place good policies that will meet the needs of Canadians.

Let me be very clear on this important matter. The Conservative Party supports a child care policy, but one that meets Canadians' needs — a policy that gives parents choice and flexibility. We support putting money directly into the hands of parents, who would decide what is best for their children.

Governments, especially this Liberal one, do not seem to be very good at taking care of children. The rate of child poverty is only one example of where the government has failed. After several years during which the rate of child poverty dropped, it increased in 2002 to 14.9 per cent, right back to the level when we first declared war on child poverty in 1989.

The true picture of child poverty is even worse than this level of almost 15 per cent would suggest. According to the 2004 Report Card on Child Poverty in Canada, during the boom years of 1996 to 2001 — and I quote — "2.1 million children were exposed to poverty for at least one year — that is one third of all children in Canada." Let me repeat: During the good years, coincidentally under the Liberal watch, fully one third of all children in Canada lived in poverty.

The report also found that low-income families are still in deep poverty, living on average \$9,000 below the poverty line.

This government's strategy of high taxes, high spending, waste and corruption, along with a lot of lip service, has done nothing to help children who are living in poverty; nor has it eased the financial burden on Canadian taxpayers or made health care work for Canadians.

As Senator Oliver said last night when he quoted from *The Economist*'s "drunken spender" article, "Paul Martin now has nobody else on whom to heap the blame."

Some Hon. Senators: Hear, hear!

Hon. Jack Austin (Leader of the Government): Honourable senators, I should like to deliver a very different speech to the Senate, one based on facts and analysis rather than endless attempts at self-justification and historical review.

Honourable senators, I am pleased to take this opportunity to add my remarks to those of my worthy colleague Senator Art Eggleton regarding Bill C-43, which contains important proposals from Budget 2005. To begin, Senator Eggleton delivered yesterday a strong justification for the expeditious passage of Bill C-43. His presentation was well reasoned and demonstrates the solid social and economic policies put forward by the government, policies that will be to the great advantage of millions of Canadians from coast to coast to coast.

In the first instance, I shall focus my remarks today on the measures that the opposition parties moved to have severed from this bill. I am speaking of the corporate tax reductions and environmental measures, as well as the agreement on offshore resources with Nova Scotia and Newfoundland and Labrador. I would then like to share with honourable senators some observations on the economy and some specific issues that I believe are of importance.

First, as honourable senators know, the government has an understanding with the New Democratic Party group in the House of Commons to assist passage of Bill C-43. Consequently, certain corporate tax measures have been removed from this bill in return for further investments from unplanned surplus funds, namely, in affordable housing, post-secondary education, the environment and foreign aid, which measures are contained in Bill C-48, a companion budget bill now being considered in the House of Commons. All of these measures are important priorities for improving the quality of life for Canadians. Bill C-43 and Bill C-48 will enhance significant investments in these areas already made by the government.

However, at this time, while we are supporting the elimination from this bill of measures that reduce corporate taxes for large Canadian corporations, I want to make it clear that the government has every intention of bringing them back in separate legislation as soon as possible. The original economic strategies of Bill C-43 designed to stimulate productivity and new investment remain a key priority for the government. Let me tell you why.

In today's global economy, capital is highly mobile internationally and a competitive tax system is critical to fostering business investment in Canada.

• (1530)

New capital investment improves productivity, which, in turn, leads to economic growth, higher wages and higher living standards. Honourable senators, the need for competitive business taxes is well understood, and most industrialized countries are significantly reducing their corporate tax rates.

Since 1997, 25 of the 30 member countries s of the Organization for Economic Cooperation and Development, or OECD, have reduced their corporate income tax rates, in some cases quite substantially. The government's approach to improving the competitiveness of Canada's business taxes has been to reduce tax rates while simplifying the tax structure.

As my colleague Senator Eggleton said yesterday, the historic Five-Year Tax Reduction Plan introduced in 2000 reduced the

general rate of corporate income tax to 21 per cent from 28 per cent, levelling the playing field for Canada's service sector and creating a tax rate advantage for investment in Canada.

Budgets 2003 and 2004 further enhanced Canada's tax competitiveness by phasing out the federal capital tax by 2008, reducing the tax rate on resource income to 21 per cent by 2007, while improving the tax structure applying to this sector and increasing capital cost allowances for computers and broadband and Internet equipment.

As a result of these tax measures, there is little doubt that Canada's tax competitiveness has improved. In particular, Canada has created a tax rate advantage over the United States. Since our economy is so highly integrated with that of the United States, I trust honourable senators can appreciate the importance of ensuring that Canada's business taxes are competitive with that country.

You may recall that last year the United States legislated a plan to reduce its corporate tax rate on manufacturing income by an equivalent of 3.15 percentage points by 2010. As a result, Canada's tax rate advantage would be significantly diminished for certain sectors if no action were taken. That is why Budget 2005 originally proposed a two-percentage point reduction in the general corporate income tax rate to 19 per cent from 21 per cent by 2010. As well, the budget proposed the elimination of the corporate surtax in 2008. Its elimination is equivalent to a 1.12-percentage point reduction in the general corporate income tax rate. Given the importance of maintaining Canada's statutory tax rate advantage vis-à-vis the U.S., these proposed changes will be brought forward in new legislation as soon as possible.

Honourable senators, the government has made significant investments over the years to preserve our natural environment and to address climate change. Budget 2005 is no exception. The investments in Budget 2005 total over \$5 billion over the next five years, including over \$3 billion of new funding.

First, there is \$1 billion for an innovative clean fund to further stimulate cost-effective action to reduce greenhouse gas emissions in Canada. There is also \$200 million to support the development of a sustainable energy science and technology strategy. Let us not forget the \$225 million investment to expand the successful EnerGuide for the Houses Retrofit Incentive program for Canadians.

There is much more support in Budget 2005 for Canada's Green Plan, which has overwhelming public support. Canadians well understand the importance of clean air, water and land. That is why it is surprising that the opposition has requested that certain clauses in Bill C-43 establishing the greenhouse gas technology investment fund be removed from the bill.

Honourable senators, this fund would be an important part of the government's climate change plan. The plan would establish a mandatory system of emission reductions for Canada's large emitters. Up to a limit established by the responsible minister, as set out in the bill, the clauses in question allow contributions by industry for technology development to count for compliance with their emission targets. Project Green indicated the limit would be nine megatonnes per year, representing 20 per cent of the total target set for large emitters.

This provision is good for innovation and competitiveness and promotes long-term reductions that fight climate change. Industry supports it as an important part of the emission reductions system, and the government supports it.

Honourable senators, this part of Bill C-43 represents an opportunity to improve our quality of life that cannot and must not be passed up.

Another proposal in Bill C-43 that cannot be delayed further is the agreements with Newfoundland and Labrador and Nova Scotia regarding their offshore resources. I am not clear as to the opposition's intent in repeatedly asking to sever the funding for these agreements from Bill C-43. It does, however, provide an opportunity to remind this chamber, and all Canadians, of the vision and values the government brought to the table with these agreements. It is a vision that recognizes a one-size-fits-all approach to federalism is not now — and never has been — the strength and success of our nation.

Of course, in the eyes of some, it might be easier for the federal government to treat all the provinces and territories as though they shared the same geography, the same history, the same resource base, and indeed, the same level of economic development. However, such an approach cannot possibly work. We are a diverse country with unique regional concerns, and the government understands that.

Fairness involves more than applying the same cookie cutter treatment to all provinces. Rather, fairness is about ensuring that all Canadians can share in the promise of our society, regardless of where they live in this great country.

These were the values at work when our government renewed its existing offshore revenue agreements with Newfoundland and Labrador and Nova Scotia earlier this year. The authority for funding those agreements is reflected in this proposed legislation, so why delay further? As soon as this bill receives Royal Assent, the money can start to flow so that these two provinces can start on the road to overcoming the serious economic and fiscal challenges that they are currently facing.

Under these accords, Nova Scotia and Newfoundland and Labrador will continue to receive 100 per cent of their offshore resource revenues, no matter what the price of oil and gas may be. As promised by the Prime Minister, this deal will give both provinces 100 per cent protection from equalization reductions for eight years as long as they continue to receive equalization payments.

As recognized in Bill C-43, the agreements will also provide the provinces with substantial upfront payments: \$2 billion for Newfoundland and Labrador and \$830 million for Nova Scotia, giving them the immediate flexibility to address their unique economic and fiscal challenges.

In short, the Government of Canada recognizes that this is a national problem, because that is what we do as Canadians: We help one another in times of need. It is in the interest of all Canadians to see that these provinces get back on track so that they can plan their futures and the future of their generations to come.

Summing up, I would make it clear why the government made the decisions it did regarding the provisions in this bill. Primarily, we wanted to ensure that the bill received timely passage. The measures contained in Bill C-43 deliver on commitments this government has made to Canadians on key social and economic priorities.

Just look at what this bill delivers to Canadians as outlined by Senator Eggleton. It will increase the basic personal amount of income that all Canadians can earn tax-free. It will increase RRSP limits to help Canadians save for retirement. It will invest in early learning and child care programs. It will increase the GIS payments to seniors. It will provide initial funding for the sharing of the gas tax to municipalities.

I could go on, but I do not want the Conservatives to be too uncomfortable.

Senator Tkachuk: Please.

**Senator Austin:** Let me conclude by stressing that all the good things in this bill, and more, will be accomplished within a disciplined fiscal framework committed to balanced budgets and no return to a deficit. Such an approach provides the foundation for sustained national well-being for today and for years to come.

Let me now turn to an aspect of the Canadian economy which bears high priority. While many concern themselves with the reduction of large corporation taxes — and that is an issue we must not lose sight of if Canadian-based corporations are to remain globally or at least regionally competitive — we must also not lose sight of the problem that the net income of Canadian workers has been shrinking or not growing over the last decade or so.

TD Bank Chief Economist, Don Drummond, in an April 2005 statement, advised that workers' earnings have been stagnant for 15 years once inflation and taxes have been taken into account. He said that, on an after-tax, after-inflation basis, wages had only gone up 3 per cent since 1989. Dr. Drummond stated:

Not to take away that corporations need to be competitive with the rest of the world, I think the No. 1 problem we've got in taxation right now is the very high marginal tax rates facing individuals.

• (1540)

In a recent review of the Canadian economy, Statistics Canada noted that profits have increased relative to wages and salaries in recent years. It said:

In fact, labour's income share of GDP fell to less than half, actually to 49.4 per cent last year for the first time.

This can be compared to the April 2005 report of the TD Bank, which advised that corporate profits have been rising at an unprecedented pace and are now at an all-time high. In addition, even after paying taxes, corporations hold a record level of retained earnings.

It is of some concern that in 2004 Canada's productivity growth was flat. Without productivity growth, Canada cannot improve and might not even be able to sustain its standard of living. Productivity climbs when economic output increases faster than the hours worked. As reported in *The Globe and Mail* of June 10, 2005, StatsCan advised that the combination of a stronger Canadian dollar and no productivity growth produced an 8.5 per cent jump in Canadian unit labour costs on a year-overyear basis, which was more than double the U.S. figure.

Productivity gains will depend on investing in public infrastructure, including new border crossings and new trading gateways such as our Pacific Coast and the Windsor-Detroit crossing. It depends on both public- and private-led research and development. Canada has had great success with research investments through the Canadian Foundation for Innovation and has the best tax incentives for the private sector, which, however, are still underutilized.

However, one bright spot for the Canadian economy in 2004 was manufacturing, which, according to StatsCan, operated at 87 per cent of estimated potential output, up from 86.5 per cent. Computers and electronics operated at 91.6 per cent, up from 85.2 per cent. Machinery is at 91.5 per cent compared with 88 per cent.

Among the good news for Canadian manufacturing is the announcement in May 2005 by Toyota Motor Corporation that it will build its seventh North American plant in Woodstock, Ontario. This investment of about \$600 million will be in production by 2008 and will employ hundreds of skilled workers.

There is much discussion in Canada these days about the predictability in the performance of the Canadian economy and the consequent revenues of the federal government. We live in a world where much of our economic weather comes from the United States, so a short review is useful.

While there is considerable uncertainty about the U.S. economy in the three- to five-year period ahead, Canadians should be pleased with the reassurance offered by Federal Reserve Chairman Alan Greenspan to the U.S. Congress Joint Economic Committee on June 9, 2005. In his testimony, Mr. Greenspan advised that the U.S. economy is on a "reasonably firm footing" and is not directed toward "worrisome inflation."

It now seems clear that aggressive tightening of credit is unlikely. The U.S. Federal Reserve will raise interest rates when required at a "measured" rate, which is, as much as anything, related to the rise and, hopefully, fall of energy prices.

One of the key signs of current economic stability referred to by Mr. Greenspan is the U.S. unemployment rate, which declined to 5.1 per cent in May, the lowest since September 2001. Consumer confidence in the United States remains solid, with the housing

industry leading the way with record volumes of new units and turnover. This confidence is significantly based on asset appreciation and refinancing, which has allowed held capital to be re-circulated back into the U.S. economy. Of course, it has also raised consumer debt with unknown future consequences.

Mr. Greenspan, in answer to questions, said that globalization and the emergence of low-cost pools of workers in China, India and Russia is making the production of just about everything cheaper, which in turn has kept inflation and mortgage rates lower. In the United States, long-term rates have been falling while short-term rates are rising, which Mr. Greenspan describes as a "conundrum."

These long-term rates have allowed mortgage rates to move to a new low, creating in the U.S. a rise in home prices of more than 40 per cent between 2000 and 2004. One verity about nearly everything created by humans is that nothing stays the same forever. At some point, long-term rates will rise and, with it, many adjustments, both macro and micro. Hopefully, both monetary and fiscal policy in the United States and elsewhere will be managed in an accommodating way.

With respect to the world economy, the Organization for Economic Cooperation and Development, in its biannual Economic Output, published on May 24, 2005, predicts that the global growth average for 2005 will be at 2.6 per cent. Canada's economic growth is predicted at an above average 2.8 per cent for 2005 and 3.1 per cent in 2006. Their summary states that Canada's economy is operating "slightly below potential, although most economic fundamentals have remained sound."

The OECD reduced its figures for global growth from an earlier prediction of 2.9 per cent, blaming a slower than expected recovery in Japan and a stagnant European economy. The OECD placed its U.S. growth forecast at 3.6 per cent, which confirms, in part, Alan Greenspan's own presentation, to which I have referred.

Honourable senators, I think I have demonstrated that the government is on the right course in managing the Canadian economy. We have managed eight budgetary surpluses while at the same time reducing the taxation of Canadians by well over \$100 billion. We have addressed health care, child care, municipal infrastructure, research and education, and housing and international assistance, while expanding the Canadian economy.

Honourable senators, this budget, Bill C-43, is the right budget for Canada. With its companion, Bill C-48, it maintains Canada on a steady course for fair shares of growth for all Canadians. Bill C-43 deserves the support of all senators.

The Hon. the Speaker: Are honourable senators ready for the question?

Hon. Senators: Question!

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Eggleton, bill referred to the Standing Senate Committee on National Finance.

#### DEPARTMENT OF SOCIAL DEVELOPMENT BILL

#### SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Carstairs, P.C., seconded by the Honourable Senator Fairbairn, P.C., for the second reading of Bill C-22, to establish the Department of Social Development and to amend and repeal certain related Acts.

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I am pleased to speak today to Bill C-22, to establish the Department of Social Development. This department, along with the Department of Human Resources and Skills Development created with Bill C-23, replaces the former Human Resources Development Canada, or HRDC—letters that are very familiar to us. This means that the department that was home to the "billion-dollar boondoggle" is gone. With this legislative sleight of hand, that embarrassing episode is swept under the carpet and out of sight; the problem is solved.

I give the Canadian taxpayers more credit than that. I do not think they can be fooled by partisan manoeuvring. However, I do believe that some institutional change was needed after the former Auditor General, Denis Desautels, found massive mismanagement in HRDC, along with \$1 billion in unaccounted for spending. It seemed that most of the money went to Liberalheld ridings, some of which did not even qualify for funding.

That particular scandal was just one of many that have plagued this Liberal government over the last 11 years. Remember Shawinigate? How about Paul Martin's so-called blind trust or the politically-motivated Airbus inquiry that cost \$6.4 million and turned up nothing? I could go on, but I think honourable senators get the point. I would rather leave this discussion for another time so we may return to the bill at hand.

• (1550)

My disappointment in considering Bill C-22 is that we have had to wait so long to even look at the bill. The Department of Social Development was created by Order-in-Council in December 2003, but for some reason Paul Martin waited for almost a year before even tabling the legislation to back the department. Even accounting for the election that was held last year, it seems like an excessive amount of time.

Unfortunately, this makes the whole debate of whether Parliament should support the division of HRDC into two departments rather awkward. We all know that the costs of trying

to put the two departments back together at this point would be astronomical, and the costs would far outweigh the benefits. Consequently, I will not suggest we do that. I have too much respect for taxpayers to foist unnecessary spending on them.

I am not sure why Paul Martin put Parliament in the position of effectively rubber-stamping this new department, but I do know that he has shown once more how little he thinks of this place he claims to respect. He has clearly not involved Parliament more in the democratic process, a key promise of his and one that he has repeated several times. Instead, he is showing contempt for Parliament, just as he did when he ignored the vote in the other place against splitting up the old Department of Foreign Affairs and International Trade.

There are at least some positives in this bill. It includes protection and security of personal information. Identity theft is a very real problem to which we need to give serious attention. It also approves services delivery through one-stop shopping, giving Canadians one place to go for the programs they need.

However, senators, I want to draw your attention to a concern I have. In particular, I want to focus on a problem with how the Department of Social Development administers one of its programs, namely the Guaranteed Income Supplement, or GIS. This supplement is provided to low-income seniors in addition to Old Age Security.

This is a fitting time to mention this matter. We have just celebrated the sixtieth anniversary of VE Day and this is also the Year of the Veteran. Perhaps now is a good time to correct a significant policy flaw and ensure that Canadian seniors and our Second World War veterans, to whom we owe a debt we cannot even begin to pay, get all the benefits to which they are entitled.

Like many Canadians, I was pleased to see the increase in the GIS announced in the last budget. However, because of the way the program is currently set up, many seniors in long-term care may not see a dime of this money.

In most provinces, seniors in long-term care surrender their entire OAS cheque and supplement to their nursing home, which gives them a very small, fixed-comfort allowance currently set by the provincial government. For example, in Ontario, it is set at \$116. That comfort allowance is meant to cover clothing and toiletries, as well as other personal items such as glasses and mobility aids. Unless there is a deal between Ottawa and the provinces requiring that the comfort allowance be raised at the same time that the GIS is increased, seniors in long-term care may not see a dime of any increase in the supplement. The money will go to the province or the nursing home operator. This is wrong.

Honourable senators, there is an opportunity for change here that will improve the quality of life for seniors by increasing the amount of money they will have in their pockets. This is an issue that we will need to address at committee.

I am also concerned about the potential for waste in such a large department. It is a department that touches seniors, children, families, the disabled, volunteers and more. Potentially, it has something for just about every Canadian at

some point in their lives. We need to be watchful that the funds from this department go to the people to whom they were intended and not feed a bureaucracy that is growing out of control or to be sucked down into another scandal-ridden hole.

Let us not forget that about half of what Canadians earn each year goes to taxes in some form or another. Half of their paycheque is swallowed by massive government. This is staggering and, quite frankly, a situation that simply cannot continue. Honourable senators are already familiar enough with my call for tax cuts, but this underscores our need to be sure that every dollar that comes from this department is properly spent. The money comes from Canadian taxpayers, not from thin air. We need to be accountable to them about how we spend their money.

While I am quite disappointed that we have not had a real opportunity to discuss the creation of this department, my hope is that we will use this opportunity to do what we can to improve how this new department operates.

The Hon. the Speaker: Are honourable senators ready for the question?

Hon. Senators: Question!

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Rompkey, bill referred to the Standing Senate Committee on Social Affairs, Science and Technology.

• (1600)

# CANADA BORDER SERVICES AGENCY BILL

SECOND READING—DEBATE CONTINUED

Leave having been given to revert to Order No. 7:

On the Order:

Resuming debate on the motion of the Honourable Senator Banks, seconded by the Honourable Senator Corbin, for the second reading of Bill C-26, to establish the Canada Border Services Agency.

Hon. J. Michael Forrestall: Honourable senators, thank you for granting me leave.

I regret that the Leader of the Government is not here. I should like to remind him that, when I came to these shores, total government spending was around \$6 billion, including the deficit. What is our surplus this year?

Honourable senators, it is my great pleasure to speak to Bill C-26, to establish the Canada Border Services Agency. The bill is essentially an enabling piece of legislation. It is said that the

Canada Border Services Agency, CBSA, has been in existence since September of 2003, and it has taken almost two years for the government to get a bill to second reading here in the Senate. It speaks volumes about the government's lack of speed when it comes to addressing national security in a post-September 11 world.

Our neighbours in the United States continue to be concerned about security. Recently, U.S. Secretary of State Condoleezza Rice expressed her concern about the Canadian border when she stated, "Indeed we have from time to time had reports about al Qaeda trying to use our southern border but also trying to use our northern border."

Senator Hillary Clinton echoed those concerns about the northern security issue and introduced a bill that would establish a northern border coordinator in the United States Homeland Security Department, in order to focus exclusively on the increasing, as some people saw it, issue at the Canada-U.S. border.

Honourable senators, in April, United States Congressman Mark Souder called upon Canada to focus more on security and to give border security the proper resources and attention. He was concerned about the non-existent or flawed computer checks on incoming passengers and database systems designed to warn border agents at land crossings about high-risk travelers. His concern was that the systems were inadequate and contained a programming limitation, consistently preventing border officials from knowing if they were dealing at any point in time with an armed and dangerous fugitive or even terrorists on the FBI top watch list. It seems incredible that we would have antiquated, out-of-date computer systems that do not allow us to share information with the United States, let alone share that information with our own security agents and policing authorities.

The RCMP criminal intelligence unit, in its 2004 annual report, noted that organized crime will continue to exploit the large volume of land, and commercial and travel movement between the United States and Canada to smuggle commodities, currency and people in both directions. As well, organized crime will exploit the less monitored areas between the designated custom ports of entry.

Somewhat shockingly, we have heard reports about 1,600 vehicles crossing the border last year without being stopped. Reports described those 1,600 vehicles as, in the terminology of those who have to work there, "blow-bys" or cars racing across the border without stopping or being stopped. In Stanstead, Quebec, over 250 unidentified vehicles illegally entered Canada each month by using two unguarded roads where there is no Canada Customs to intervene. In Quebec alone, and this will give you an order of magnitude, there were over 100 unguarded roads at the border.

Our new United States Ambassador says that Canada's biggest problem is gun smuggling from the United States. Guns, drugs, people smuggling, any form of contraband coming into our

country undetected, poses a threat to our population. To put this in perspective, over a five-year period, more than 25,000 prohibited weapons, including over 5,400 illegal weapons, were seized by our border agents. That is what was seized. The real question scares that the devil out of most of us, and that is: How much was not interrupted or captured?

If this is not enough, by way of a reminder, al Qaeda placed the killing of Canadians as priority number five. We have been mentioned as a target for al Qaeda attack twice, and once by Bin Laden himself. There are reports al Qaeda has conducted recognizance missions on the Canadian border. Al Qaeda is not alone. In February of this year, a reported Hezbollah operative crossed the border in the Detroit area from Canada and was arrested by our American neighbours when it was found that the operative had traces of explosives on his passport. Not a word from the government on this issue and not one comment from the Canada Border Services Agency. That is a little disturbing in this age of push and desire for transparency, openness, honesty and frankness.

Honourable senators, Bill C-26 has the effect of amalgamating the border services of the Canada Customs and Revenue Agency, the Canadian Food and Inspection Agency and part of the Department of Citizenship and Immigration. The bill was reported to the other place with two amendments, and the government introduced another amendment at the report stage to correct a basic error in the bill. The fact that the government had to introduce an amendment at that stage again says something about the lack of competence of this government on the whole question of national security.

With respect to the amendments passed by the committee in the other place, the first one was moved by our party, the Conservative Party of Canada. It called for an annual report of operations and performance on the agency and that this requirement should be enshrined in the legislation. It required that the agency table an annual report after the end of the fiscal year and before the end of the calendar year. In other words, the 2005 report of the agency would have to be tabled after March 31, 2006, but before the end of the December 2006 calendar year. Without question, there is some intervening access to information on the activities of the agency throughout this whole period.

Honourable senators, the government has noted in the past that Treasury Board, on behalf of the Canadian Border Service Agency, files a performance report, and this report should be — not could be, but should be — considered as the annual report. However, the requirement under the Financial Administration Act did not specifically say that an annual report or performance report was required. Interestingly enough, it now does. As a point, other agencies that file performance reports are also required by statute to file annually. They include SIRC, the Correctional Investigator, Correctional Service Canada, and the RCMP External Review Committee. We can all agree that greater transparency and accountability into the operations of government is an important part of achieving public confidence in a time of scandal.

• (1610)

We had hoped there would have been introduced this spring in the other place, and subsequently dealt with here, a bill dealing with the establishment of an oversight committee made up of parliamentarians, but not necessarily a parliamentary committee. We can all agree that such a committee is necessary in the absence of a level of transparency, trust and competence that the agencies responsible for our security in fact are working within the law and within the spirit of the law.

We will get this bill, honourable senators. Whatever we can do to enhance its transparency in terms of the flow of information to parliamentarians about the activities that give concern about the agencies we would like to monitor, all the better.

The Standing Senate Committee on National Security and Defence further recommends in its recent report on border security, which I commend to all of senators, that the Canada Border Services Agency make mandatory the timing, reporting and cataloguing of critical incidents faced by personnel and that the Canada Border Services Agency include a tally of those incidents in its annual report to Parliament.

The second amendment from the other place ensured that officers who act as peace officers to enforce immigration and refugee acts are identified in the Criminal Code as peace officers. This again will put these officers on par with frontline peace officers and other border officers. We in the Conservative Party support that amendment.

Members of the Standing Senate Committee on National Security and Defence have recently said that if RCMP officers cannot be placed at our border posts, Canada Border Services Agency officers should be armed and that be trained to the highest standards of the RCMP. We have made it clear that the emphasis on the Canada Border Services Agency personnel should be placed on public safety and the security of Canada, not on the collection of revenue, which at one time may very well have accounted for the vast majority of income available to government. Today, it is hardly worth collecting.

The Commissioner of the RCMP has admitted that the RCMP does not have the resources to fulfil the mandate of patrolling the border at points of entry and, therefore, is withdrawing its services from the province of Quebec. I just mentioned the situation in Quebec, in which there is virtually free, unfettered two-way traffic. The closing of nine detachments in Quebec highlights that resource problem.

Sadly, the commissioner has admitted that there is a danger facing border officials, but he does not support allowing them to carry side arms. It would seem to me — and this is not fortuitous — that in commenting on the Senate report, the Commissioner of the RCMP might very well have taken the opportunity, to use the validity of the recommendation as yet further demonstration of the need for additional public funds for our national police force.

While I respect the commissioner's professional judgment, I would suggest to him that there is a duty to provide our people at the border with at least the ability to protect themselves and other Canadians. The report compiled by the agency showed that over the past five years 39 officers have been threatened, 234 were assaulted and 19 injured. The figures speak for themselves.

While I want to see university students get summer employment, the Standing Senate Committee on National Security and Defence has great concern about the practice of employing students as Canada Border Services Agency inspectors, given the dangers found along this great border. The Canada Border Services Agency should investigate the possibility of pairing students with full-time inspectors at land border crossings so that the students can earn both summer wages and credits toward community college diplomas associated with policing and security, as well as providing a better level of security not only for our students and Canadians but for all those who use our border services.

Honourable senators, the creation of a new border services agency itself makes sense. It is something the Conservative Party has long advocated. However, we must ensure that our border officers are equipped with proper technology, equipment and personnel. It is one thing to empower them through legislation; it is another thing entirely to give them the tools necessary to do the job. Again, this is a point the committee made in its recently released study entitled *Borderline Insecure*, tabled in the chamber on Tuesday, June 14. I commend it to honourable senators as bedtime reading.

I would like to make a particular point about the issue of remote border crossings. The government must act immediately to end the practice of border officials working alone. We have seen the tragedy that can occur. One officer working alone suffered a medical condition and died on the job. We as a committee have recommended that the number of personnel employed by border services be sufficient to provide security commensurate with the increased security threat associated with the growth in traffic generally and the threat at Canada-U.S. land border crossings in recent years.

We believe that the Canada Border Services Agency should ensure that at least half of all its shifts at land border crossings be staffed by at least two persons by December 31, 2006, and that all shifts at all land border crossings be staffed by at least two persons by December 31, 2007. We believe that the agency should connect all 62 unconnected border posts with real-time access to customs mainframe by January 1, 2006, and that the Canada Border Services Agency upgrade the quality and fuse the data that is available to officers on the primary and secondary inspection lines, a source of real concern and much danger to them.

An effective border policy of the border agency will require more resources and a real government commitment. Bill C-26 is certainly a step in the right direction, but it will require work, government will and resources.

I commend the bill to honourable senators and trust it will receive speedy passage.

On motion of Senator Cools, debate adjourned.

• (1620)

[Translation]

# CONFERENCE ON WOMEN'S RIGHTS

INOUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Losier-Cool calling the attention of the Senate to the Millennium Development Goals, more particularly to Goal number 3, seeking to promote gender equality and to empower women.—(Honourable Senator Fraser)

Hon. Joan Fraser: Honourable senators, first I want to thank Senator Losier-Cool for calling our attention to the millennium goals in general, but more particularly to Goal number 3, which seeks to promote gender equality and to empower women.

It is very important for parliamentarians throughout the world to consider the millennium goals with extreme care because these goals are an extraordinary opportunity for making the world a better place.

[English]

In trying to decide which element of the third objective to focus on, I decided to speak about women's access to political equality in Canada, or, more precisely, to political equality in electoral politics at the federal level. I suspect that some of you will not like my conclusion. I am not sure that I like it myself, but I find myself driven to it.

I will first tell you how I arrive at my conclusion. It has been a long, hard road for women in politics in Canada. Anyone who wants to examine the subject in any detail can do no better than to turn to Senator Carstairs' book, *Dancing Backwards*, which gives a wonderful history of women in Canadian politics. The book is entitled *Dancing Backwards*, of course, because of the famous line that Fred Astaire's dancing partner had to do everything he did, only backwards and in high heels, and, I might add, usually in long skirts.

I believe many women feel they are actually dancing backwards. We dance like mad, yet often we see ourselves moving further away from the goal rather than toward it. This is not to deny that we have made a great deal of progress in Canada — and, indeed, in some ways, particularly until recent years, we have looked pretty good.

It is difficult to measure equality, but one proxy for it is the Interparliamentary Union's statistics on women around the world who serve in single-chamber legislatures or in the lower chamber in bicameral legislatures. Ten years ago, 18 per cent of Canada's MPs were women, which put Canada well into the top 25 countries, and we looked pretty good. I remember feeling very good about that. I do not count the wonderful record of the Senate, because we are an appointed chamber.

However, we no longer look so good, honourable senators. It is true that last year we were up from 18 per cent 10 years ago to 21 per cent of elected MPs. Although I may disagree profoundly with the Bloc Québécois on many issues, they really showed us the way — 35 per cent of their members are women. Nevertheless, in the last 10 years we have progressed less than many other countries. We have only picked up 3.14 percentage points in 10 years. We are now surpassed, honourable senators, by countries like Rwanda, where 49 per cent of the MPs are women, traditional Spain, where 36 per cent of the MPs are women, Mozambique, with 35 per cent, and Sweden, with 45 per cent.

There is a list ranking countries by the progress they have made in percentage terms over the past 10 years, and Canada ranks number 105 on that list. We cannot feel quite so proud as we used to.

Why are we lagging in this? There is a natural tendency to say that it is the voters' fault, that the voters will not elect women. I do not think that is true. Last year, the proportion of women who were elected to the House of Commons was within a couple of percentage points of the proportion of women who were nominated. It would appear that voters are as likely to vote for women as for men.

Why are there not more worken candidates? Many factors are often cited for this. To this day, family responsibilities tend to affect women more than men. Women do not like the way politics are played, particularly in the other place. A wide range of other classic factors is often cited. The fact is that those factors exist everywhere — women have families everywhere and politics is a boisterous game almost everywhere — so those factors cannot explain Canada's relative lack of progress.

Some people say that the first-past-the-post Westminster-style electoral system is the problem. There is a large and impressive group in Canada, of women in particular, who say that having proportional representation would help to improve the representation of women in the House of Commons. I am not sure that is true. In conversations with women from other countries, they have pointed out to me that in proportional representation the party still controls who the candidates are. If the party chooses to put sufficient numbers of women on the list, then the number of women elected to represent that party will increase. If the party do not choose to do so, the number will not increase. I personally do not think proportional representation is the answer to our problems; in fact, in my opinion, it brings many other problems.

This leaves me to raise, with much trepidation, the issue of affirmative action. I will use the nasty word — quotas. I do not like the concept of quotas in politics. In fact, I have always loathed the concept of quotas in politics. However, I note that some form of affirmative action is now in use in 81 countries around the world, and these countries do not include only left wing, revolutionary or radical countries that are nothing like Canada.

#### [Translation]

I am thinking of France, for example, which has not been a revolutionary country for more than a century and a half now. In 2000, France adopted legislation promoting equal access for men

and women to elected positions and public office in Senate, parliamentary and municipal elections. The complexity of France's electoral system defies description. I would never advise Canada to adopt this system, but it seems to work in France.

A recent departmental report stated that this legislation, which met with some initial reticence, has now become quote, "Routine, normal, so to speak."

There is no longer any resistance from men or women in France. I know some French women who had opposed this legislation and now accept it.

# [English]

I am not calling for quotas or for any particular form of affirmative action. There are many ways to go, from changing the Constitution to working at the individual party level. My preference would be for action to be taken at the party level according to each party's philosophy, traditions and practices. However, I do think that action must be taken.

• (1630)

In order to get to the point of taking more effective action than we are taking now, we will have to do more work to build a consensus. Does it matter whether women sit in parliaments? The answer is really and truly yes. If we believe in representative government, then we believe surely that the largest group of citizens there is, namely, women, should be properly represented.

One academic raised what she labelled the Mary Wollstonecraft dilemma in this context. She asked:

Should women demand full participation in political life based on the common humanity they share with men, or based on their differences from men? In the former case, women's participation in politics stems from universal democratic rights. In the latter, this involvement is to be assessed in terms of their differences: it is because they are different from men that women must participate in politics — with the probable consequence of changing the very nature of politics and public decisions.

As much as I respect learned academics, I would have to say that that is a false dilemma. The fact is that women need full representation in politics on both grounds, as citizens, as part of the common humanity of Canada, and also as representatives of a specific group with a specific set of perspectives. Not all women have the same perspectives, but they have certain experiences and points of view that tend to differ from those of men, they have certain needs that tend to differ from those of men, and they have a right to have those perspectives represented in Parliament. How will we get everyone to agree to move forward on whatever it is we decide to do?

It is not a cop-out for me to say that I think this would be an absolutely ideal subject for a Senate study. There is no place in Canada with more pertinent political experience than is found in this chamber. Among the women in this chamber, we have former premiers, opposition leaders, cabinet ministers at the federal and provincial levels, mayors and party workers from the highest to the most grass roots levels, not one of whom has to face election again. Any examination that we bring could be expert, but not self-interested. I cannot think of a better recipe.

They say one should never propose that work be done unless one is proposing to do it oneself. Let me hasten to say that I am not the right person to conduct this study. I know something about women, but I know really very little about practical politics and the organization of elections. That is why I will not table a motion to suggest that we do it. However, in this chamber we have all the talent we would need to come up with realistic, non-intrusive but effective propositions for Canada to move forward in an area where we used to be trailblazers but no longer are.

Honourable senators, I leave you with that thought.

Hon. Anne C. Cools: If the honourable senator would take a question, I am curious about the notion that women represent something quite different from men. My question is about difference. We could say that the majority of Canadians are not "middle class," but I do not see any movement to move those people into Parliament or anywhere else. We can say — and I do not know the numbers — that some people are brighter than others, yet I do not see any movement to bring the brighter people into Parliament. We can say that some people are more hardworking than others — we are talking about differences between human beings — yet I do not see any movement to bring more hardworking people into Parliament.

I am referring to the statement of the honourable senator that a significant majority of the public are women. By the same token, I would also submit that there are significant numbers of people who are Oriental and Black, but I do not see any movement to represent them by numbers.

Why does this subject seem to revolve around the question of women? I could argue a thousand other bases for representation as well.

As a matter of fact, it could easily be argued that the people in this chamber are not representative of Canadians at all on the grounds of educational levels, career paths and so on. I do not understand how the representative argument can be applied to what Senator Fraser is saying.

Could the honourable senator comment on the whole question of representation? What makes Senator Fraser or any other woman say that she represents women when, in point of fact, I would argue that most women in this chamber are totally unlike the majority of most women in this country, totally.

**Senator Fraser:** In response to Senator Cools, I believe I tried to say — and if I did not, let me try again — that no one woman can represent all of womanhood any more than any one man can

represent all of manhood or any one person from an ethnic minority can represent a whole ethnic minority. That is why one needs to have significant representation of as many groups as possible in a society.

In this chamber, which is appointed, we take some pride in thinking that those who have appointed us over the years have tried to reach out to ensure that groups that perhaps are not as fully represented in the Commons as they might be do at least have some representation here.

The honourable senator's point about representation of many groups is entirely valid. I am not disputing the fact that there are many groups in Canadian society that might wish to be represented. I happened to be speaking about women, because that is the point of the third millennium objective, which is the focus of Senator Losier-Cool's inquiry.

The Hon. the Speaker: Honourable senators, I regret to advise that Senator Fraser's 15 minutes have expired.

Senator Fraser: I neglected to mention this to Senator Stratton, but Senator Johnson had asked me to say that she would like to take the adjournment of the debate.

**Hon. Marie-P. Poulin:** Honourable senators, I had hoped to adjourn the debate, but I would be more than happy to leave my place to Senator Johnson.

The Hon. the Speaker: Senator Johnson is not here and you are.

Have we disposed of the matter of Senator Cools?

Senator Cools: Senator Fraser will probably not speak to this issue again, since the rule is that senators speak once. I was interested in asking her a subsequent question.

The Hon. the Speaker: Senator Fraser is not asking for leave, so I will go to Senator Poulin.

Senator Poulin: I should like to adjourn the debate, with the consent of Senator Cools.

Senator Cools: It really does not matter. I thought Senator Fraser might have asked for an extension of her time.

On motion of Senator Poulin, debate adjourned.

#### THE SENATE

MOTION TO URGE GOVERNMENT TO REDUCE CERTAIN REVENUES AND TARGET PORTION OF GOODS AND SERVICES TAX REVENUE FOR DEBT REDUCTION—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Kinsella seconded by the Honourable Senator Stratton:

That the Senate urge the government to reduce personal income taxes for low and modest income earners;

That the Senate urge the government to stop overcharging Canadian employees and reduce Employment Insurance rates so that annual program revenues will no longer substantially exceed annual program expenditures;

That the Senate urge the government in each budget henceforth to target an amount for debt reduction of not less than 2/7 of the net revenue expected to be raised by the federal Goods and Services Tax; and

That a message be sent to the House of Commons requesting that House to unite with the Senate for the above purpose.—(Honourable Senator Robichaud, P.C.)

Hon. Terry Stratton (Deputy Leader of the Opposition): Senator Robichaud has had this motion standing in his name for quite a substantial period of time. It is now day 15. If he does not want to take the adjournment of the debate, there are senators on our side who would like to speak to the motion. Therefore, I request that I be allowed to rewind the clock.

[Translation]

Hon. Fernand Robichaud: Honourable senators, I have no objection if my colleague wants to rewind the clock. I asked for adjournment in the hopes of hearing from other individuals on this side. I would be quite interested in hearing from them. I have no objection to the senator's motion to adjourn the debate and rewind the clock.

[English]

The Hon. the Speaker: Is it agreed, honourable senators, that the item go back to day zero?

Hon. Senators: Agreed.

Hon. Shirley Maheu: Senator Day asked me to move the adjournment in his name.

Senator Stratton: Fine. Thank you.

The Hon. the Speaker: By agreement, honourable senators, the matter will stand in Senator Day's name.

Order stands.

#### SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

COMMITTEE AUTHORIZED TO MEET DURING ADJOURNMENT AND SITTINGS OF THE SENATE

Hon. Michael Kirby, pursuant to notice of June 20, 2005, moved:

That the Standing Senate Committee on Social Affairs, Science and Technology be empowered, in accordance with

rule 95(3)(a), to sit, on July 5 and 6, 2005, even though the Senate may then be adjourned for a period exceeding one week; and

That the Committee be authorized, notwithstanding rule 95(4), to sit on July 5 and 6, 2005, even though the Senate may be sitting.

He said: Honourable senators, just to explain the purpose of the motion, the Standing Senate Committee on Social Affairs, Science and Technology, which is doing our study on mental health, mental illness and addiction, has now held public hearings in every province and in one territory, the Yukon. We have two fact finding one-day sessions left, in Iqaluit and Yellowknife. Since they are only fact finding hearings, we can carry them out regardless of whether the Senate is sitting.

We have also been conducting one-day special hearings on four topics, two of which have been completed, one on children's mental health and one on seniors' mental health. The purpose of July 5 and 6 is for a special one-day hearing on mental health in the workplace and a special one-day hearing on addictions.

When the committee holds a single-topic hearing, we do it in a round table format featuring 10 to 15 people from coast to coast. It is important that we be able to get those people to commit to a particular day for the hearings. Therefore, the purpose of this motion is to get the approval of the Senate to go ahead with those hearings which would be held from 8:30 or 9:00 until 3:00 or 3:30, regardless of whether or not the Senate has adjourned for the summer and regardless of whether or not the Senate is sitting. I cannot recruit and then cancel the witnesses at the last minute because they come from all over the country.

Hon. Terry Stratton (Deputy Leader of the Opposition): Do you have the concurrence of our side?

**Senator Kirby:** Absolutely. It is unanimous among all members of the committee that we need these last two days in order to proceed with writing the report in the summertime.

**Senator Stratton:** Where are you meeting?

Senator Kirby: The hearings would be held here in the big room with the big oval table in the East Block. If there was a critical vote, we could adjourn the committee and proceed to the chamber.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

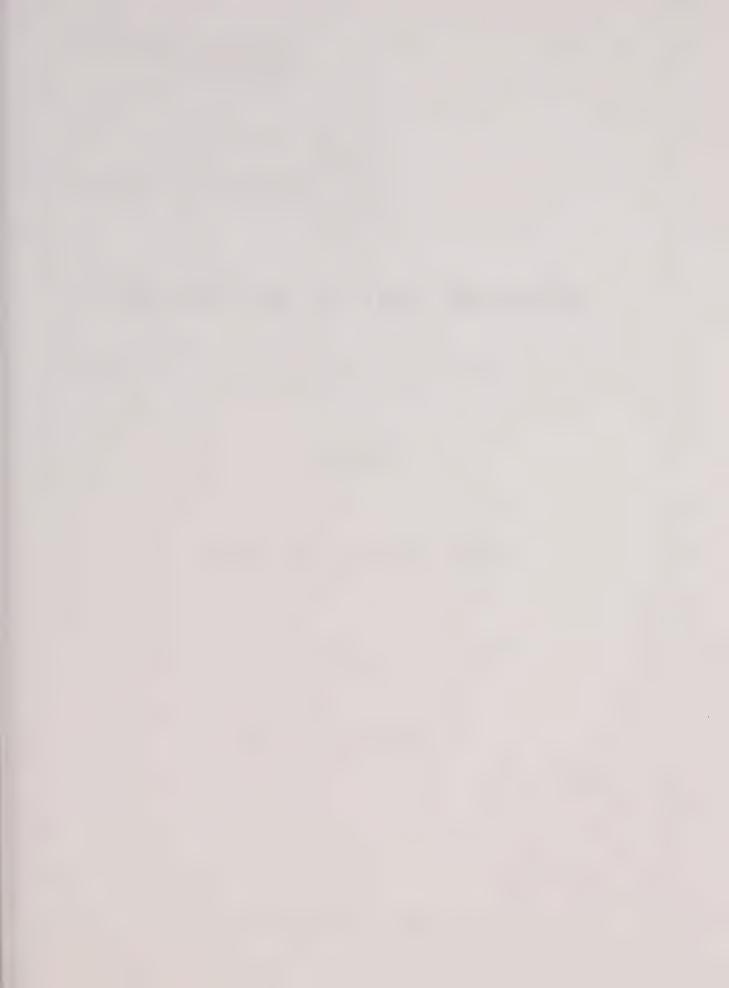
Motion agreed to.

The Senate adjourned until Wednesday, June 22, 2005, at 1:30 p.m.

# CONTENTS

Tuesday, June 21, 2005

PAGE	PAGE
Visitors in the Gallery The Hon. the Speaker	Official Languages Annual Report of Commissioner—Prince Edward Island— Services to Acadians. Hon. Gerald J. Comeau
SENATORS' STATEMENTS	Social Development Prince Edward Island—Tignish Region Financial
Aboriginal Awareness Day Hon. Jack Austin	Support for School.  Hon. Gerald J. Comeau  Hon. Jack Austin  1543
The Honourable Roméo Antonius Dallaire Congratulations on Receiving the National Order of Quebec. Hon. Serge Joyal	Heritage Live 8 Concert—Costs of Staging and Cleanup. Hon. Donald H. Oliver. 1543 Hon. Jack Austin 1543
Saint-Jean-Baptiste Day Hon. Pierre Claude Nolin	Foreign Affairs Timetable for Aid Target of 0.7 Per cent. Hon. Donald H. Oliver. 1543 Hon. Jack Austin 1543
Heavy Rains and Floods. Hon. Marisa Ferretti Barth	
Canada-United States Relations Opening of Border to Canadian Cattle—Court Case in Billings, Montana—Amicus Brief of Conservative Parliamentarians.	ORDERS OF THE DAY
Hon. David Tkachuk	Highway 30 Completion Bridges Bill (Bill S-31) Third Reading. Hon. Pierre Claude Nolin
ROUTINE PROCEEDINGS	Economic Development Agency of Canada for the Regions of Quebec Bill (Bill C-9) Third Reading.
Aboriginal Healing Foundation 2004 Annual Report Tabled. Hon. Bill Rompkey	Hon. Céline Hervieux-Payette
Labrador Inuit Land Claims Agreement Bill (Bill C-56)	Appropriation Bill No. 2, 2005-06 (Bill C-58) Second Reading. Hon. Donald H. Oliver
Hon. Nick G. Sibbeston,	Budget Implementation Bill, 2005 (Bill C-43) Second Reading. 1548 Hon. Terry Stratton
(Bill S-41) Bill to Amend—First Reading. Hon. Noël A. Kinsella	Hon. Jack Austin. 1347 Referred to Committee 1553
Inter-Parliamentary Forum of the Americas Meeting of Women Parliamentarians March 20-22, 2005— Report Tabled. Fourth Plenary Meeting, May 19-22, 2005—Report Tabled.	Department of Social Development Bill (Bill C-22) Second Reading. Hon. Terry Stratton
Hon. Céline Hervieux-Payette	Canada Border Services Agency Bill (Bill C-26) Second Reading—Debate Continued. Hon. J. Michael Forrestall
Hon. Lise Bacon	Conference on Women's Rights Inquiry—Debate Continued.
Rules, Procedures and the Rights of Parliament Notice of Motion to Authorize Committee to Study Participation of Senators in Telephone or Video Conferences During Committee Meetings.	Hon. Joan Fraser
Hon. Joan Fraser	The Senate Motion to Urge Government to Reduce Certain Revenues and Target Portion of Goods and Services Tax Revenue for Debt Reduction—Order Stands.
QUESTION PERIOD	Hon. Terry Stratton
Canada-United States RelationsNorth Dakota—Devils Lake Diversion.1542Hon. Janis G. Johnson1542Hon. Jack Austin1542Hon. Terry Stratton1542	Social Affairs, Science and Technology Committee Authorized to Meet During Adjournment and Sittings of the Senate. Hon. Michael Kirby





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**CANADA** 

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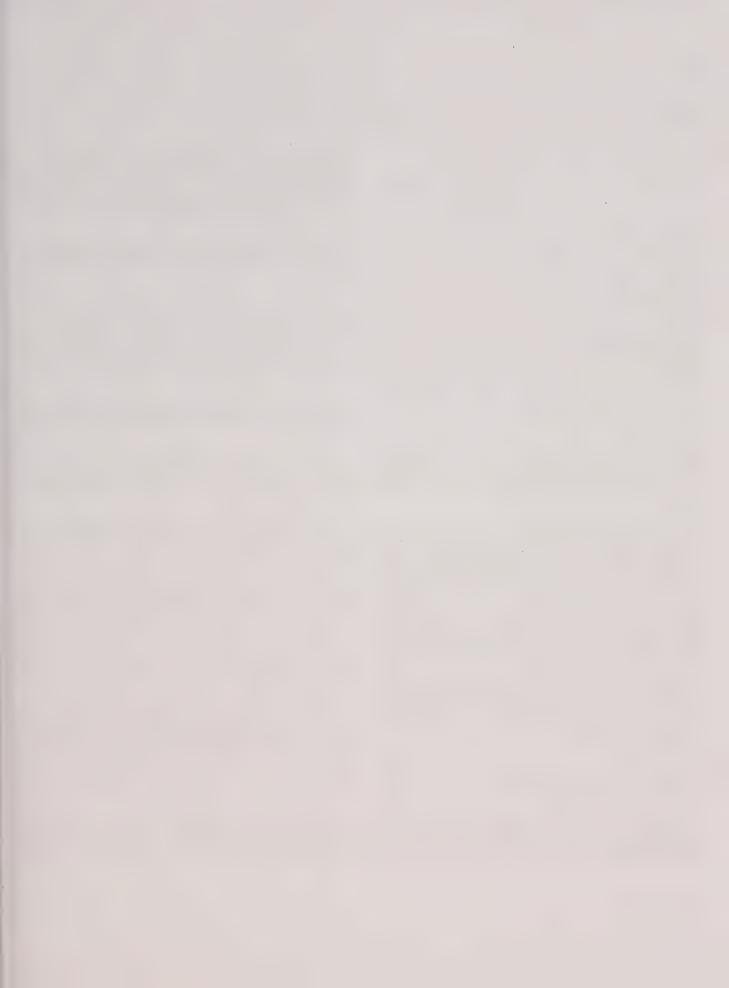
THE HONOURABLE DANIEL HAYS SPEAKER



# CONTENTS

(Daily index of proceedings appears at back of this issue).

Debates and Publications: Chambers Building, Room 943, Tel. 996-0193



# THE SENATE

Wednesday, June 22, 2005

The Senate met at 1:30 p.m., the Speaker in the chair.

Prayers.

# SENATORS' STATEMENTS

#### **TRIBUTES**

# THE HONOURABLE ISOBEL FINNERTY

The Hon. the Speaker: Honourable senators, I received a notice today from the Leader of the Government in the Senate requesting, pursuant to rule 22(10), that additional time be provided for consideration of Senators' Statements for the purpose of paying tribute to the Honourable Senator Isobel Finnerty, who will retire from the Senate on July 15, 2005.

Hon. David P. Smith: Honourable senators, I was eager to speak today to pay tribute to Senator Isobel Finnerty because I regard myself as president of the Isobel Finnerty fan club.

Let me say just a few words about her background. She was born and raised in Timmins, Ontario. She knows Northern Ontario inside out. Her husband, Les, has been with CN management, so they have lived all over Ontario, in such places as Ottawa, London, Toronto and Burlington. She knows this province inside out, like no one else, and she knows it politically.

Something I really like about her is that when you look in the *Canadian Parliamentary Handbook* under "Profession," it reads "political organizer." To me, that is a badge of honour because it is people like her who make our democracy work. There are cynics out there who might think that this is just political patronage. We have many lawyers in this place, and I am one myself; we probably have too many. We have some senators from the medical and teaching professions and from the business world, but a place like this, which is a political institution when it comes right down to it, always needs several people whose background is political organizing. Senator LeBreton, for whom I have the highest regard, could fall into that category, as could Senator Mercer and Senator Murray, and one of my great heroes, Senator Davey. We need people who know how our parliamentary and political systems work at the grassroots. No one has paid their dues longer and harder, in by-elections, general elections and leadership conventions, to make parliamentary democracy work in this country than has Senator Finnerty. We need a few people like her in the Senate, and a few more of them on both sides.

Hon. Marjory LeBreton: Honourable senators, I will second that!

I am pleased to rise today to honour our colleague Senator Finnerty. As Senator Smith pointed out, she is a native of Timmins, Ontario and, as she has demonstrated, Timmins certainly produces good citizens.

Senator Finnerty began her remarkable career when she was appointed to the Timmins Parks and Recreation Commission at the tender age of 19, where she served as the sole woman member. When one thinks of it, a woman at the table was a rare commodity at that time. She served until 1967. She has served on boards and committees, contributing greatly to whatever community she was living in at the time.

In 1994, she was invited to Benin, Africa, as an international trainer for the National Democratic Institute for International Affairs.

Senator Finnerty, as Senator Smith pointed out, is a partisan, and good for her. She has worked hard for her party for several decades, provincially and federally, across the country. She has been active in the campaigns of people such as John Turner, Jean Chrétien, Brian Tobin and Ralph Goodale, to name a few. She has worked with well-known Liberals such as Elinor Caplan, David Peterson, Doug Frith and John Munro.

During her time in the Senate, she has devoted her energies to the Standing Senate Committee on Energy, the Environment and Natural Resources, as one would expect from someone from Northern Ontario.

I am told by many who know her well that she is a woman who gets the job done. We all know the old reality in politics: When a job has to be done, ask a busy person because they always find the time to take on an extra job.

While we are definitely on different sides politically, I do admire her energy and stamina. I will miss seeing her in pictures of the Liberal caucus. Practically every time there is a photo op at a Liberal caucus, there she is, at the head table.

I wish Senator Finnerty all the best. I hope she will enjoy having a little extra time to spend with her family and I would ask her not to devote so much time, please, to the Liberal Party!

Hon. Mobina S. B. Jaffer: Honourable senators, shortly after Senator Finnerty was appointed to this chamber in 1999, she came to Vancouver for a conference. When I heard she would be in town, I made absolutely sure that she came out to dinner with me and my husband.

I was hoping at that time that if I showed her around the city, I would be able to thank her for all she had taught me over the years. I took her on a tour of Queen Elizabeth Park and then down to India town, where we were able to try on a few different saris.

#### • (1340)

Her appointment was such a great thrill that I was concerned that she would get so caught up in her duties as a senator that she would never again find the time to visit me in Vancouver. I remember making her promise to put aside a little bit of time to visit with me again.

Honourable senators, my wish came true two years later when I had the honour of being summoned to this place myself.

Like many others, I have had the opportunity to work with Senator Finnerty on a number of campaigns over her breathtaking career. She has worked selflessly to help others realize their dreams and goals. She can look at many people in this chamber, in the other place and at those who sit in legislatures and assemblies all over the country and identify them as people she has helped to realize their dreams and potential.

Her efforts to improve our political system to be inclusive and to allow so many others to make their mark have been exemplary. She is one of the best campaigners and organizers this country has ever seen.

Isobel Finnerty is a trailblazer for Canadian women becoming involved in political activism. She is a consensus builder and a promoter of greatness. She is a compassionate and caring person who has become like a sister, mentor and role model for me and others. It would be impossible to appreciate just how many lives she has touched or how deeply she has touched them.

It is with great pleasure, mixed with some sadness, that I pay tribute to my friend, because I know that it means we will be missing her in this chamber.

I invite her once again to call me, be it for dinner or a chat or sari shopping, because I will be just as thrilled to see her or hear from her as I have always been.

I know honourable senators will agree with me when I say that we will miss her very much.

Hon. Lowell Murray: Honourable senators, Senator Finnerty and I worked closely together on the National Finance Committee. During a good part of that time, she was my deputy chair. As a representative of the governing party, her role on the steering committee was to ensure that government legislation moved ahead. She did so quietly and efficiently, and for this I would say that the government is in her debt.

She and her party have a majority on committees, as they do in the Senate. However, her approach to our business has always been one of negotiation and honourable compromise. There are two sides to this chamber and at least two sides to most questions that come before us. All sides must have an opportunity to develop their arguments and to make their case, at which point we should come to a decision. Senator Finnerty has an instinctive appreciation of those working assumptions of our legislative system. Her understanding comes not from a long parliamentary background, for she was appointed here only six years ago, rather, it springs from her deep roots as a partisan in the Liberal Party.

She is one of those political volunteers who emerges or is thrust forward from the crowd because of an exceptional ability to mobilize, motivate and even inspire hundreds of others who are committed to the party as an instrument of service to the country. Deeply attached to her own political family, and wise from political experience, it is impossible for Isobel Finnerty not to understand and even empathize with the perspective and the predicament of her adversaries in other parties.

Partisans like Isobel Finnerty contribute to the culture of collegiality that distinguishes the Senate at its best, even when we disagree profoundly on principles and policies

I believe she knows that, for my part, I always enjoyed our encounters and looked forward to them. I will not go so far as to say that we traded political secrets. She is far too discreet for that — and so was I, when I knew any political secrets. We did trade insights, however, and hers were always thoughtful, interesting and informative. Isobel Finnerty knows not only where the bodies are buried, but also how many of them are likely to turn up for the next election.

For those who believe, as I do, that restoring political parties to their proper and vital place is the cure for much of what ails our electoral democracy and our parliamentary democracy. Canada, as Senator Smith and Senator LeBreton have said, needs more Isobel Finnertys.

I thank her for her time and our association in this place.

Hon. Shirley Maheu: Honourable senators, in rising to pay tribute to our colleague and my friend Isobel Finnerty, I must say that I do not know of any Liberal of my generation who has participated in more election campaigns in so many diverse locations across this nation than she has.

Senator Finnerty began her lifelong affair with politics as a child when one of her brothers sought a seat in the Ontario legislature in the 1930s. Fresh out of high school, she was the first woman on the Timmins Recreation Commission in Northern Ontario, arguably one of the first women in Canada to sit on such a commission.

When she married her husband, Les, she began a lifetime of moving around the country, remaining a couple of years here and a couple of years there, while Les advanced up the ranks of the CNR to his final position as chief engineer of our railroad.

In each community, Isobel left a legacy of service with local Liberals. For more than 50 years, probably more Liberals have been trained and prepared for election readiness by Isobel Finnerty than by any other Liberal in Canada.

Having left her mark everywhere, Isobel Finnerty was the logical choice to become executive director of the federal wing of the Liberal Party in Ontario in the late 1970s. That was when I met her. In the early 1980s, she became chief political advisor to the Honourable John Munro, Minister of Indian and Northern Affairs, and she managed his national leadership campaign in 1984. When Greg Sorbara, the current Ontario Minister of Finance, contested the leadership of the Ontario Liberal Party in the late 1980s, Isobel Finnerty was his campaign manager. When Jean Chrétien sought the leadership of the Liberal Party of

Canada, she had a leading role in his Ontario campaign and subsequently served as the Ontario campaign manager for the party in the victorious general election of 1993.

I mention here only a few highlights of the life of one of the top political organizers ever of the Liberal Party.

Isobel Finnerty and I served many years together — I think it was eight years — on the national executive of our party. Those were exciting years. They included Mr. Trudeau as the leader of our party, then briefly as the retired leader, and ultimately leader again. These were the years of the multiple by-elections of 1978, back-to-back general elections in 1979 and 1980, the Charter of Rights and Freedoms, the National Energy Policy and the brief Joe Clark interregnum. They were, indeed, many exciting years.

In our party, political strategists wonder about Isobel Finnerty's uncanny sense of knowing what to do and when to do it. Her timing in the decision-making process has always the quality of being impeccable. Isobel's dual capacity for insight and instinct always made her a formidable adversary.

There are those who claim that Isobel Finnerty must be psychic or clairvoyant, perhaps in the grand tradition of William Lyon Mackenzie King; otherwise, how could anyone ever be as good as she is at what she does?

I am sad that Isobel will be leaving us soon. I wish her every happiness and contentment in her beloved cottage in Timmins and in her winter home in Burlington. Her kind does not lead us into battle often. Isobel Finnerty's je ne sais quoi, her energy and determination, and her organizational leadership will be greatly missed. Good luck, Isobel.

Hon. Pana Merchant: Honourable senators, I am not certain how long I have known Isobel Finnerty. We met at least 25 years ago in the midst of political organization. We know that Senator Finnerty has about 50 years of experience in the political trenches. With a huge contribution before becoming a Member of Parliament, as we say in the West, the Senate was not her first rodeo.

My husband and I had the good fortune to become associated with her about halfway through her political life. Isobel Finnerty came to Saskatchewan to help many times. She has a sense of what to do and when to do it. She has a focussed understanding of the challenges of the big picture and, at the same time, an extraordinary grasp of the details. Her many successes over the years are part of the Canadian political story. We will miss her expertise and dedication.

• (1350)

I am deeply grateful to Isobel for the friendship she extended when I first arrived here. She was always gracious and helpful, and she is a person of great reciprocity.

Senator Finnerty and I sat together on the Standing Senate Committee on Energy, the Environment and Natural Resources. The topics were at the cutting edge of the future. On one of our

fact-finding missions, we shared the experience of driving the \$12 million fuel cell car that was still in its infancy in California. Committee hearings, both in Ottawa and elsewhere, addressed pressing issues. I know Isobel will miss that interaction.

Retirement is not only a time of reflection, but also a new beginning. Retirement will not mark an end to Isobel's contributions to Canada. We wish Isobel Finnerty every success in her future challenges. Thank you, Isobel.

Hon. Terry M. Mercer: Honourable senators, it is days like these that we senators both lament and celebrate. The retirement of a colleague is a day to commemorate, especially when the colleague is Senator Isobel Finnerty.

Isobel's extraordinary dedication to politics and to this place cannot be matched. She has been a staunch promoter of women in politics from a young age. She is the most influential export out of Timmins, Ontario, surpassing even Shania Twain and Senator Frank Mahovlich.

While I was executive director of the Liberal Party in Nova Scotia in the early 1980s, I had the pleasure of working with Senator Finnerty, as she was executive director of the Liberal Party of Canada in Ontario. Her presence at the table during national executive meetings was unforgettable, her style of leadership unique, and her patience broad.

An interesting story that Isobel may not want me to tell you occurred at the Sheraton Hotel, in Toronto, during a provincial leadership campaign, the campaign that elected David Peterson as provincial leader.

She and I were at an establishment in the hotel that served beverages, and we were chatting about the politics of the land, when we noticed, almost at the same time, that we were both wearing very unique wedding bands. Initially we thought they were specially made at two separate places in the country, but they were identical. The wedding bands, both hers and her husband Les's and mine and my wife Ellen's were identical. It was extremely unusual. I knew then that our sense of style was equal.

I also realized that politics is deeper than appearance and material things. Isobel would influence me and many others to explore a realm of ideas in our vision for Canada. After that day, I knew she was someone I would come to know more and more.

In fact, I went on to work with her again during the 1990 leadership campaign, which saw the Right Honourable Jean Chrétien elected as leader of the Liberal Party of Canada.

Honourable senators, I can only hope that Isobel remains active in politics. She is truly an icon in the Liberal Party, an icon I could only wish to clone. Her experience and determination will most definitely serve the young generation well as they enter their own political futures. I wish her and Les all the best in the future.

Hon. Joyce Fairbairn: Honourable senators, there are some people who are born with a natural gift to teach, to guide and to persuade others in a way that pulls the victim into action before they even know they have been hooked. A prime example of that

gift would be our retiring colleague, Senator Isobel Finnerty. She has succeeded as a community activist, a philanthropist and a political wizard throughout her lifetime. For the last six years, she has been one great senator.

This woman is a patriot who is as tough as nails with a heart of gold and who gives politics a good name wherever she works in the democratic process across Canada and in other countries of the world. I doubt there is a political role that Isobel has not played for her party, prime ministers, premiers, cabinet ministers, MPs, MLAs, anyone who wanted to run, and particularly women.

I first met Isobel — it is hard for me to say this — a quarter of a century ago here in Ottawa. I was enclosed in the world of parliamentary politics as an advisor to Prime Minister Trudeau, and she had just become the executive director of the Liberal Party of Canada in Ontario.

Although Parliament always has its challenges, as we see these days, it seemed to me that my friend had the tougher calling. I learned a lot from her during that period, which actually was a blessing when totally unexpectedly I found myself chairing our national campaign in 1993. Thank heavens for people like Isobel Finnerty. I am one of those who believe that politics is a noble cause in this country.

Although one should not reveal cabinet secrets, during a tribute to Senator Finnerty a week ago, the Prime Minister asked who had been helped by Isobel in their campaigns over the years, and it seemed that practically everyone in the room leapt to their feet and stood cheering from every corner of this country. That kind of energy and wisdom has been part of her contribution as well in the Senate.

I was astounded to note, honourable senators, that over the last six years, she has served on almost every Senate committee. I will name them — because the list is huge: National Finance; Banking, Trade and Commerce; Foreign Affairs; Transport and Communications; Agriculture and Forestry; Energy, the Environment, and Natural Resources; Legal and Constitutional Affairs; Rules, Procedures, and the Rights of Parliament; and the Standing Joint Committee of the Library of Parliament. Few of us can claim that variety, and I admire you for it, Isobel.

Clearly, this is a senator who took full advantage of her all too short time here. I will miss her dedication and her good advice, but also the humour, the kindness and the encouragement she has offered me at times when life was a bit difficult.

I say to you, my friend, keep up the good fight, but take lots of time to smell those red roses with the family who loves you.

Hon. Art Eggleton: Honourable senators, my friendship, my working relationship and my admiration for Isobel Finnerty predate her membership in the Senate. It goes back to 1978, and specifically in that role as political organizer.

However, there is a Senate connection. In 1978, Prime Minister Trudeau recommended the appointment of the Member of Parliament for Parkdale, the Honourable Stanley Haidasz, to the Senate, resulting in a vacancy in the House of Commons, which later that year was one of 15 by-elections that were fought on October 15, 1978, including mine.

At that particular time, the government was not in the best of favour with a lot of citizens. We won one out of the 15 by-elections; it was in Montreal. Mine did not work out either, but I must tell you that we kept it tight and very close because of the skills and dedication of Isobel Finnerty who came onto that campaign. I have been forever grateful for all that she did. Her organizational and people skills were outstanding.

The one interesting by-product of all of this is that, even though I did not become a member of Parliament at that time, I did go on a couple of years later to become the Mayor of Toronto. That successful campaign had the support of Isobel Finnerty.

I wish to finish by congratulating Isobel for her many years of political organization and her many years of community service and service to the people of Canada through this body, the Senate of Canada.

I know she will continue to make a difference in many people's lives in this country, as she has made a difference in mine. Thank you, Isobel.

• (1400)

Hon. Catherine S. Callbeck: Honourable senators, it is with a great deal of pleasure that I rise to join in paying tribute to our friend and colleague the Honourable Isobel Finnerty. At the same time, however, there is a profound sense of sadness, because the senator will certainly be missed by all at the Senate.

In her past six years of service in her Senate appointment, she has worked extremely hard on many committees and served as cochair of national caucus. While the senator certainly has been busy during her time in the chamber, her life and her work before the Senate was every bit as busy and challenging.

Approximately 57 years ago, at the age of 19, she was appointed to the Timmins Parks and Recreation Commission, where she served as the only woman for over 20 years. Also during that time, she served as campaign manager for candidates in the Timmins area in every municipal, provincial and federal election. In fact, over the years, she has served in a management capacity or as a campaign chair in more than 40 constituency-based contests in Timmins and across the country, as well in several federal and provincial leadership races. I doubt anyone in the history of campaign management for any political party in Canada can match or equal the record of this very remarkable woman.

Among the long list of accomplishments of her career are a number of firsts. For example, she was the first woman federal executive director in Ontario for her party. She was the first organizer for a federal political party in the Eastern Arctic.

Never content to sit idle, she has given of herself to a number of worthwhile organizations outside the political arena. She has volunteered countless hours for the Stratford YMCA, the Canadian Cancer Society and the Burlington Arts Centre.

Senator Finnerty is a woman of great intuition. As has been said, she knows what to do and when to do it. She has a great deal of old fashioned common sense. Her grassroots activism and tremendous generosity of spirit set a great example for all of us in public service.

Senator Finnerty, I wish you and your husband Leslie many years of good health and happiness.

Hon. Mira Spivak: Honourable senators, much has been said here about the legendary talents of Senator Finnerty in the organization of the Liberal Party. However, I know Senator Finnerty through my work with her on the Standing Senate Committee on Energy, the Environment and Natural Resources, where she was not only my friend, but a great friend of the environment. In that capacity, I did not see a hint of partisanship. She is one of the most fair-minded, open-minded and generous people I have ever met.

She even told me that she was an observer at one of the Conservative conventions when it was still Progressive Conservative, and she said that she was bowled over by the policy.

I also had the occasion to travel with her, which was an absolute delight. At one point in Vienna, we went on a shopping tour. It was then that I realized what a wonderful grandmother she was because we had to find the perfect ballet outfit for her youngest granddaughter.

Isobel, it has been a pleasure to know you. I hope that will continue, of course, after you have left the Senate. It has been a delight to work with you on the committee. I sincerely hope that you will enjoy retirement and have as much fun in the future as you have had here all along. We have had a lot of fun with you. I wish you the best of luck, Isobel.

The Hon. the Speaker: Honourable senators, the time for tributes and Senators' Statements has elapsed. It is time to call on Senator Finnerty.

Before I do so, I draw to your attention the presence in the gallery of family and friends of Senator Finnerty, including her husband Les and our former colleague, the Honourable Laurier LaPierre, as well as members of her staff. Welcome to the Senate.

Hon. Isobel Finnerty: Honourable senators, I deeply appreciate the comments that several senators have made here today. They reinforce the fact that I leave here with very mixed emotions. It has been an immense honour to serve the people of Canada in this house. I am particularly grateful to have been given this opportunity.

Over the years, I have found the Senate to be rich in expertise and diversity. It has been a wonderful experience for me to have been here among so many distinguished Canadians for six years.

The media's characterization of the Senate as an inert and inactive place has its roots in the past. The reality is that today the Senate is a vibrant place. Through our work in this chamber, on committees, studying important aspects of public policy and meeting with Canadians, we are building a better understanding of one another, a prosperous economy and a great future. I also note that the more than 30 per cent representation of women in this chamber is an eloquent example for every Canadian institution to follow.

I regret very much that we have failed to get Canadians to fully appreciate the Senate as the important part of our national political life that we know it to be. I have been a political organizer since high school. My involvement in politics has been an integral part of my life ever since. I am distressed to see the growing level of disinterest in the political institutions of our country. We must work cooperatively, no matter what one's political stripe, to bolster Canadian confidence in the way our political system operates.

Politics, above everything else, is people. All the great ideas that capture our attention and seek our promotion never get implemented without people. We need to motivate people from all walks of life, from all communities, from every geographic region, to get them involved, to make a difference and to join in the common experience of Canada.

I want to acknowledge the generosity of all my colleagues, past and present, during my years here. I will retire with memories that I cherish greatly. The professionalism of the Senate staff at every level, including pages, messengers, constables, maintenance crew and everyone working in administrative capacities, is a splendid example of how to do things right. I thank each one of you.

I was fortunate to have Robin Russell as my legislative assistant and Anna Morena as my executive assistant. Robin has been associated with me in a multitude of political endeavours for almost 30 years. Anna Morena has been with me from day one. I will miss our day-to-day interaction, her professionalism, loyalty, energy, judgment, dedication and, above all, her good humour. I will miss them both.

I have been blessed also by my very close-knit, caring and loyal family. My husband Les has abundant patience and good humour. These qualities have sure made our marriage work. I would not have followed my career without Les and my two sons, Lorne and John. They have been particularly patient with me every time an election bell has rung. In the last 50 years, I have consistently disappeared from their daily lives because I suddenly got wrapped up in political activity doing something, somewhere, to promote the causes in which I believe. I can honestly say that my life has been very rich, indeed. Words cannot express my deep gratitude to Les and my family.

Honourable senators, I will be following your deliberations from wherever I am. It has been a great privilege to have been among you.

Hon. Senators: Hear, hear!

• (1410)

## **ROUTINE PROCEEDINGS**

# STUDY OF ISSUES DEALING WITH RATE OF PRODUCTIVITY

REPORT OF BANKING, TRADE AND COMMERCE COMMITTEE TABLED

Hon. Jerahmiel S. Grafstein: Honourable senators, I have the honour to table the fifteenth report of the Standing Senate Committee on Banking, Trade and Commerce concerning the special study on issues dealing with productivity entitled Falling Behind: Answering the Wakeup Call — What Can be Done to Improve Canada's Productivity Performance?

On motion of Senator Grafstein, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

# **QUESTION PERIOD**

#### THE SENATE

#### KARLA HOMOLKA—COMMENTS BY SENATOR

Hon. David Tkachuk: Honourable senators, my question concerns comments made by one of our colleagues in regard to Karla Homolka, one of the most notorious criminals in the history of our country.

The Liberal senator in question has been quoted in the media as saying, "I have to say I have sympathy for her." He also said that the conditions placed upon Ms. Homolka upon her release are "unjustified." The senator has compared the use of section 810.2 of the Criminal Code to restrict her movements as, "the kind of law used in totalitarian regimes." He also compared her prison romance with a man convicted of murdering his girlfriend to a boarding school crush.

Could the Leader of the Government in the Senate tell us if the Prime Minister has asked the Liberal senator in question to withdraw his remarks and apologize?

Hon. Jack Austin (Leader of the Government): Honourable senators, the Prime Minister has no role to play in the comments on public policy of any senator in this chamber.

**Senator Tkachuk:** Unfortunately, the statements that have been attributed to the senator in question have caused pain to the families of Ms. Homolka's victims. The senator's comments have also reflected badly upon this chamber as a whole.

Mr. Tim Danson, a lawyer who represents the victims' families, has said, "I find it disconcerting because senators come from a very particular and unique office which carries with it an aura of integrity and prestige."

Does the Leader of the Government in the Senate agree that the words of this particular senator have inflicted pain on the victims' families and that an apology is required by the senator in question?

Senator Austin: Honourable senators, it is not the role of the Leader of the Government in the Senate to comment on and reflect on public policy statements of any other senator. I report for the government.

Whether or not senators in this chamber concur with the particular senator's point of view, that senator has the right to pursue public policy as that senator believes it correct to do. I happen not to agree with that point of view, but I do want to affirm that I would never discourage the courage of any senator to speak against the dominant paradigm.

Senator Tkachuk: Will the government and the Liberal caucus, then, disassociate itself from the senator's remarks?

Senator Austin: Honourable senators, this series of questions comes very close to impropriety, so far as I am personally concerned. I will not answer any further questions on this matter. I believe I have answered fully.

#### **HOUSE OF COMMONS**

# ETHICS COMMISSIONER— REPORT ON MEMBER FOR YORK WEST

Hon. Marjory LeBreton: Honourable senators, the Ethics Commissioner in the other place, Mr. Bernard Shapiro, has released his long-awaited report into allegations of wrongdoing involving the former Minister of Immigration, Judy Sgro. Mr. Shapiro found that, during last year's election campaign, 74 of 76 temporary residence permits issued at the request of a member of the other place were supported by Liberal members, while the other two were supported by Conservative members. Twenty-four of the permits were directly tied to Ms. Sgro, and 19 of them were approved by her over a three-day period during the last week of the election campaign. The report states that they mostly went to relatives or associates of her campaign workers.

The Ethics Commissioner found these actions to be a clear violation of principle 7 of the Conflict of Interest Code for Public Office Holders, which prohibits such a person from using his or her position to help a private entity or individual receive preferential treatment.

In the wake of this report, could the Leader of the Government in the Senate tell us what his government is doing to address the blatant use of patronage in our immigration system?

Hon. Jack Austin (Leader of the Government): Honourable senators, it is the custom of Senator LeBreton to read long, partisan political preambles to short politically partisan questions.

Senator Stratton: This is corruption again. Rotten to the core!

**Senator Austin:** I will answer the question this way: Under the rules of the other place, the Ethics Commissioner was asked to provide and has provided his view. That ends the matter.

Senator LeBreton: Honourable senators, Ms. Sgro is no longer a minister of the government. The Department of Immigration is a major department in the Government of Canada for which I think the government must answer. What I read was not a long, partisan preamble, but a report that came directly from Mr. Shapiro.

My supplementary, honourable senators, is based on the fact that the report also notes that the minister's policy of avoiding partisanship and limiting use of these permits, "...essentially collapsed during the final weeks and days of the election campaign. TRPs" — temporary residence permits — "were suddenly very much more available." That is a quotation, not my statement.

What measures are being taken to ensure that ministers stick to proper procedures and policies, especially during the upcoming election campaign?

Senator Austin: Honourable senators, the issue vis-à-vis the government and the Prime Minister is one that is resolved by former Minister Sgro having left the cabinet. The question is then one that is retrospective — it looks at past behaviour and makes a judgment with respect to past behaviour.

The Ethics Commissioner was clear that what he found took place on the part of the minister's staff was improper and inappropriate. Therefore, we can conclude that that behaviour is not to be repeated and will not be tolerated.

(1420)

Hon. Gerry St. Germain: My question is a supplementary to the Leader of the Government in the Senate. Where does ministerial responsibility begin and end, or have the rules changed? When I was a minister of the Crown, I was responsible for what my staff did. We have had Shawinigate, the sponsorship scandal and now the Minister of Immigration situation. Have the rules changed such that ministers are no longer responsible for anything that happens in their department and the staff is to be blamed? The government leader made reference to the staff having committed egregious errors. Does the responsibility for that not lie on the shoulders of the minister?

Is the government leader telling us — and it appears that he is — that, if his staff, or the staff of another minister, were to do something blatantly wrong, the minister bears no responsibility?

Could the government leader clarify that for Canadians and for the Senate?

Senator Austin: Honourable senators, the doctrine of ministerial responsibility exists, and ministers are responsible for inappropriate things happening within their statutory responsibilities. However, in Canadian practice, it has been noted repeatedly that ministers need not necessarily resign, if they have taken appropriate steps in the arrangement of the management of their portfolios, if they have used due diligence in the appointment of people and if the matter in question was not drawn to their attention but was dealt with at a level beyond their awareness.

There are events that do take place under ministerial responsibility and are not reported to the minister. The

questions that must be asked are these: Is the management system appropriate? Have the people in the minister's office been chosen according to appropriate skills? Has due diligence been applied with respect to their integrity? Having all that, if something undue happens and it cannot be shown to have been within the awareness of the minister, then the question of resignation is not necessarily appropriate.

Of course, we saw during the Mulroney era many ministers accused and defended by such able people as the then House leader Deputy Prime Minister Erik Nielsen. There are lots of examples of accusations. Some ministers resigned; some ministers did not resign for a very long time; some ministers did not have to resign.

The issues have to be judged against a set of criteria to which I have referred.

Senator St. Germain: Honourable senators, the record should show that, from 1984 to 1988 — when I was caucus chairman and, later in that mandate, a minister — an individual under scrutiny basically resigned, from what I recall. That is a known fact. That is why there were so many resignations. When something did come up, individuals had the honour of respecting the position and resigned.

However, in the case of the former Minister of Immigration, Ms. Sgro, I am puzzled as to how she could be absolved, given that she had to sign the respective permits, or were the minister's staff signing the visitor permits that were being issued? Ms. Sgro would obviously have to have known what was going on, to have been signing them in such numbers as was pointed out by Senator LeBreton. I do not understand what the minister is talking about.

Senator Austin: Honourable senators, the latter sentence by Senator St. Germain may be true, in many cases. However, with respect to the rest of his question, I shall not go beyond the report on the facts by the Ethics Commissioner. That stands on its own.

All of this debate is more or less hypothetical. The minister resigned when the first issue became public. The minister took appropriate steps in the circumstances at the time and should be well appreciated for what she did.

Senator St. Germain: She did not resign, sir, immediately.

Senator Austin: She did so.

#### **INDUSTRY**

#### TECHNOLOGY PARTNERSHIPS CANADA— FUNDING TRANSPARENCY

Hon. Donald H. Oliver: Honourable senators, my question is for the Leader of the Government in the Senate. The Globe and Mail reports that last August the federal government expanded its secret audit into payments made through Technology Partnerships Canada, a controversial fund for corporate investment, after it was revealed that \$2 million in commissions was paid to consultants by three high-tech companies who received funding through the program. In order to prevent

kickbacks or bribes, the rules of Industry Canada prohibit paying commissions or contingency fees to obtain financing from Technology Partnerships Canada.

According to yesterday's *Globe and Mail*, Industry Canada has now broadened its investigation to include a random sampling of Technology Partnerships Canada's 673 approved projects. Fifty-eight projects in total were selected involving 47 firms receiving more than \$490 million from the fund.

My question for the Leader of the Government is this: Given the amount of money involved, when will the government institute a proper transparency mechanism within Technology Partnerships Canada to disclose which firms received TPC funding, how much they received, what they do with it and how much, if any, of their loans they repay?

Hon. Jack Austin (Leader of the Government): Honourable senators, it was TPC's own audit processes that first identified these irregularities between companies and lobbyists. As Senator Oliver said, the Department of Industry took decisive action to deal with the abnormalities identified. External auditors were engaged, a review was undertaken, and initially four companies were found to be in default of their contribution agreements. That matter has been remedied. There is a second-phase audit under way, and it is dealing with a wide variety of TPC applications.

In answer to Senator Oliver's final question, it is the intention of the Department of Industry to make TPC's applications and the reasons for accepting them as transparent as commercial criteria will permit.

Hon. Terry Stratton (Deputy Leader of the Opposition): My question is a supplementary and is addressed to the Leader of the Government in the Senate. During Question Period in the other place, the question was asked as to whether any funds from the technology partnership program had ever gone to the Liberal Party of Canada. The minister, in his response, dodged the question, by stating — and I quote:

All of the money that was paid to consultants who were helping clients obtain TPC funding has been returned. All of it has been returned, every cent.

Since the minister did not answer Mr. Schmidt's question, my question is for the Leader of the Government in the Senate. Can the government leader assure us that funds from the technology partnerships program did not go to the Liberal Party of Canada? Yes or no?

**Senator Austin:** Honourable senators, if Senator Stratton has a charge to make or information to provide, we would be happy to receive it. Otherwise, his question is baseless in fact.

[Translation]

#### THE SENATE

# ETHICS OFFICER—NOMINATIONS TO CONFLICT OF INTEREST COMMITTEE

Hon. Marcel Prud'homme: Honourable senators, the session may be coming to a close and we have adopted a very special rule for the ethics officer. Eleven senators here have been completely left out of the loop.

[English]

It is my understanding that the Liberals have chosen Senator Carstairs and Senator Joyal and that the Conservatives have chosen, in secret ballot, Senator Angus and Senator Andreychuk.

• (1430)

As we have decided democratically, it is done, but I do not agree with it. These four senators have been elected by secret ballot, according to a rule passed by the house, with which I disagree. None of the 11 independent senators — five Progressive Conservatives, five independents, and my colleague and esteemed friend from the NDP in Saskatchewan - has a say or an understanding of what the next step will be. It is our understanding that the next step is that these four senators will get together to choose the fifth member of the committee. Do not worry, be happy; I am not running for any office. I will not put my name forward, so senators can relax. However, it does affect the 11 of us. We would like to know when the provisions of this new, nonsensical statute will come into effect. Is it now in effect or will it be in effect after the names of all five senators are officially known? How do we conduct our affairs? We do not know. The two major caucuses know more than the 11 senators I just mentioned. I do not speak on behalf of the others.

I may be misinformed when I say that Senators Andreychuk, Angus, Carstairs and Joyal have been elected by secret ballot to sit on the committee. What is the next step and when will it be taken? Do not tell me it is up to these four senators to decide. Senator Austin is the Leader of the Government; he should know what the next step will be so that we can conduct our affairs appropriately.

Hon. Jack Austin (Leader of the Government): Honourable senators, Senator Prud'homme has asked this question previously, and I doubt that I can answer any better than I answered before.

The chamber has adopted rules with which Senator Prud'homme disagrees. Those rules ask the four senators who have been elected pursuant to the rules to nominate a fifth senator. I am not aware that they have met. Therefore, I am not aware that they have made a choice. All I can tell honourable senators is that it is my responsibility, along with that of the Leader of the Opposition, to bring to this chamber a non-debatable motion advising senators of the names of the five people who will constitute the Senate Standing Committee on Conflict of Interest. Of course, I will do so when I have been formally notified who those five are.

Senator Prud'homme: Senator Austin always likes to remind us that I sometimes disagree. I am a democrat. I fight as hard as I can, and once a decision is taken democratically, I accept it. I am showing my displeasure. The decision has been taken. Please stop saying "with which I disagree." I have as much right as any other senator to disagree. I disagree, but what is done is done.

Who takes the initiative on behalf of these four members of the new committee? There must be a boss. How does the committee proceed? Are they all waiting to be called? Someone must take the initiative to bring them together. I would have thought that the leader of this house would provide some support and remind them that they should inform us as soon as possible. I am afraid that we will adjourn and not know how to conduct our affairs.

I have the card of the Senate Ethics Officer. I want to know what to do. The 11 senators do not know a thing, which is unfair. It is also unfair that not one of these 11 senators sits on the Standing Committee on Internal Economy, Budgets and Administration, which has 15 members. I attend as a volunteer. The others do what they want; I do not speak for them.

I was raised to know that the word "fairness" exists, and I find the situation I have just described to be unfair. I am told to go see someone else. I am therefore putting myself in the leader's able hands in an effort to learn a little bit more. Some of the 11 senators do not speak as forcefully as I do, but they are as interested in this situation because I consulted with them and they say that they do not know either.

Senator Austin: Honourable senators, Senator Prud'homme has made a long statement and I can provide him with a clear, short answer. He will recall, as will other senators, the insistence of this chamber and the majority of its members that the executive play no role in the matter of the administration of the code for this place. I believe that Senator Prud'homme was of the same view.

With respect to the origin of the rules and the way in which they function, Senator Prud'homme might wish to address his question to the Chair of the Standing Committee on Rules, Procedures and the Rights of Parliament.

# AGRICULTURE AND AGRI-FOOD

BOVINE SPONGIFORM ENCEPHALOPATHY—POSSIBILITY OF DISEASE IN UNITED STATES COW

Hon. Gerry St. Germain: Honourable senators, my question is to the Leader of the Government in the Senate. Tests are currently being done in England to give final confirmation as to whether an older cow from the United States has mad cow disease.

An Hon. Senator: Holy cow!

Senator St. Germain: Holy cow; that is true. This one will be unholy if she is fraught with BSE.

Is the federal government of the opinion that a confirmation of an American-born case of mad cow disease would make it more or less difficult to reopen the border to live cattle from Canada, as the U.S. would then have the same disease status as Canada, in the federal government's view? How would a positive test influence U.S. public opinion and the U.S. legal proceedings? I am playing to the leader's legal expertise.

Hon. Jack Austin (Leader of the Government): Honourable senators, there is no legal expertise required to answer this question. It is entirely hypothetical. I will not proceed any further to deal with it on the Senate record.

# **BUSINESS OF THE SENATE**

# REQUEST FOR INFORMATION ON LEGISLATIVE AGENDA

Hon. Lowell Murray: Honourable senators, I would like to ask a question in two parts concerning the business of the house. Senator Prud'homme states that the session may be coming to an end. I am afraid the contrary seems to be true. Because we are not involved or particularly care to become involved in the bipartisan negotiations in this place, I have to ask the Leader of the Government whether honourable senators should count on being here for, let us say, the first two weeks of July.

The second part of my question has to do with a specific bill. I am aware of the discussion and of the speculation concerning Bill C-48 and Bill C-38. There is another interesting bill on the Order Paper of the other place and that is the bill — I am sorry I do not have the number — that deals with compensation for judges. What priority does this bill have so far as the government is concerned?

It is an interesting question in view of the fact that I understand that at least one of the opposition parties opposes that bill, so given the extra time that Parliament is apt to be sitting, will the government be bringing forward the judicial compensation bill or will judges be left to live from hand to mouth for the entire summer?

Hon. Jack Austin (Leader of the Government): Honourable senators, Senator Murray's concluding words do raise a considerable level of sympathy in my legal soul.

As best as I can advise, because so many of the answers depend on the business conducted in the other place, I would expect that we could be in session until July 13 or 14. That certainly will allow this chamber to deal with a lot of work.

Honourable senators, I have said publicly several times that the government wishes to deal finally with Bill C-48 and Bill C-38 before the Senate rises for the summer break. We can only await the discharge of business in the other place regarding this legislation to know what will be required of us in terms of sitting time.

• (1440)

Senator Murray: Honourable senators, my friend did not answer my question about the bill dealing with compensation for judges. I am interested to know where that stands on the government's list of priorities in the current parliamentary situation.

Senator Austin: Honourable senators, having introduced the bill, the government obviously seeks its passage. With respect to its place on the list of priorities, I will have to consult the Leader of the Government in the other place and advise Senator Murray further. I hope that he will not have to wait too long for the answer.

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, my question relates to a bill of which we can speak with certitude in the Senate, namely, Bill C-43, the main budget bill. That bill is in committee, and I understand that this evening the Minister of Finance will be appearing on it.

In light of what is happening in the other place and the possibility of a vote on Bill C-48 tomorrow evening, Conservative senators are offering to the government that after the minister appears this evening clause-by-clause study be conducted on that bill, as will be done this afternoon in the Social Affairs Committee on Bill C-22. A different minister will then appear before that committee on Bill C-23, after which the committee will conduct clause-by-clause consideration on that bill.

I am offering to the government that, after the appearance of the Minister of Finance before the National Finance Committee tonight on Bill C-43, the committee conduct clause-by-clause consideration of the bill in order that the committee can report that bill tomorrow. In that case, we would offer leave to proceed with third reading so that Bill C-43, which contains the Atlantic accord, which is of great concern to all Atlantic Canadian senators, can be given Royal Assent tomorrow afternoon at four o'clock. Will the honourable minister accept that offer?

Senator Austin: Honourable senators, I thank Senator Kinsella for that special consideration. However, if Senator Lynch-Staunton or Senator Banks were here, they would remind Senator Kinsella that it is the Senate practice, as we have been reminded quite recently, not to conduct clause-by-clause consideration at the same meeting as a witness has been heard. I think we had better follow that practice. It is very good practice and, as I have said, we will be sitting next week and can give the bill third reading then. We have adequate time to deal with this legislation.

Of course, this bill could have been passed some time ago but for the efforts of the opposition in the other place. I understand that the opposition wants to pick and choose its time. It is the role of the opposition to seek its best advantage. I have been in opposition, and it was not a time I particularly enjoyed. We took that same approach when Senator Murray was the Leader of the Government representing the Progressive Conservative Party.

[Later]

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, it is my understanding that two bills are being studied in committee today with ministers present and that after presentations by the ministers the committees will proceed to clause-by-clause consideration. That is my clear understanding.

Senator Kinsella: Bills C-22 and C-23, which are currently before the Social Affairs Committee.

Senator Stratton: Honourable senators, if the Social Affairs Committee is prepared and willing to follow that procedure with regard to those two bills, I fail to see why, when this side has offered to proceed to clause-by-clause consideration after the

presentation by the minister, in order to ensure that a bill passes so that Atlantic Canada will get what it needs and deserves, the government would refuse to do so.

Senator Austin: Honourable senators, I am sure that the Chairman of the Social Affairs Committee and the chairman of every other committee are aware of the practice so long argued for and followed in this place with respect to clause-by-clause consideration. Senator Lynch-Staunton, Senator Banks and others believe that it is best practice not to proceed immediately to clause-by-clause but rather, to paraphrase the argument we have heard here, to respect the evidence of the witnesses who have been heard by giving some thought to the significance of it.

Honourable senators, as I have said in response to Senator Murray, we expect to be here for up to three more weeks. Therefore, there is adequate time to deal with this legislation.

Senator Comeau: Atlantic Canadians cannot wait.

Hon. David Tkachuk: Honourable senators, in the past, both sides have agreed to proceed with clause-by-clause consideration after hearing from a minister. What the Leader of the Government has said is not quite correct.

### **DELAYED ANSWER TO ORAL QUESTION**

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour of presenting the delayed answer to a question raised in the Senate on June 1, 2005, by Senator Stratton, regarding the Kyoto Protocol, management of the funding portfolio.

### THE ENVIRONMENT

### KYOTO PROTOCOL— MANAGEMENT OF FUNDING PORTFOLIO

(Response to question raised by Hon. Terry Stratton on June 1, 2005)

Climate change is this country's greatest environmental challenge. The Government of Canada has been investing in actions to address climate change since 1997, with funds allocated over successive budgets. While making these investments is part of the solution, they must be made prudently and responsibly. There must also be flexibility so that we can learn as we go.

The funding since 1997 has been invested across a wide range of activities aimed at increasing our knowledge base and supporting action to reduce GHG emissions. For example, they have helped to:

- uncover increasing evidence of climate change, and improve the country's understanding of the inherent challenges and risks;
- advance and transfer new technologies that reduce GHG emissions in areas such as energy efficiency, cleaner fossil fuels, and the hydrogen economy;

- encourage early action to reduce GHG emissions in major energy consuming sectors such as buildings, housing, transportation, and agriculture; also to promote strengthened standards for buildings, appliances and equipment and the development and use of renewable energy; and
- enable Canada to play a leadership role in international climate change negotiations, and strengthen our capacity for domestic policy development.

These investments, touching all sectors of the economy, were aimed at the "low hanging fruit" i.e., those measures that put us on the path to emissions reductions, often at the lowest cost.

Action Plan 2000, for example, comprises 45 measures that target key sectors accounting for 90 percent of Canada's GHG emissions. Many of those measures broke new ground. Many that worked well received additional support through Budget 2003. These include, for example, the popular Energuide for Houses initiative to cost share home energy audits that will recommend energy efficiency improvements as well as programs to encourage energy efficiency retrofits of existing commercial buildings.

These investments have helped to lay the groundwork for the behavioral, technological and economic changes that will be critical in placing Canada on the lower emissions trajectory that will be needed to achieve the significant cuts required over time.

These early investments provided the foundation for the 2002 Climate Change Plan for Canada, which used a broader range of tools including information, incentives, regulations and tax measures, across a number of sectors including: transportation; housing and commercial/institutional buildings; large industrial emitters; renewable energy and cleaner fossil fuels; agriculture; forestry; and landfills.

But an issue as complex as climate change cannot be solved overnight, nor should expenditures of this magnitude be made quickly. Investments must be made over many years, and we must learn and adjust as we go. That's why the funds allocated to climate change have a spending profile that spans a number of years. Budget 2003 climate change funds, for example, have a five year spending profile.

Of the \$3.7 billion allocated between 1997 and 2003 some \$700 million from Budget 2003 was earmarked for the out years of 2006-07 and 2007-08. This would allow the Government some flexibility to allocate funds to emerging priorities, new technologies, or the continuation of programs that have performed well.

Of the remaining \$3 billion, some \$710 million represents endowments provided to foundations such as Sustainable Development Technology Canada and the Green Municipal Funds, administered by the Federation of Canadian Municipalities.

The remaining \$2.3 billion, allocated across a range of programs and federal departments, was in most cases profiled over a five year period. Some \$1 billion of that pertains to the four fiscal years after 2003-04, a period not captured in the documents referred to by Senator Stratton. While much of that is indeed unspent, it reflects the fact that there is a "ramping" up of programs over time. In other words, time is required to establish program infrastructure and access target audiences.

For the period reported to date it is also important to recognize that, under many programs, there is a time lag between a spending commitment and the actual expenditure. For example, under the Wind Power Production Incentive, the incentive supports the first ten years of operation of a new wind farm. In another example, capital contributions committed to new ethanol plants will be provided only after the plants are built. The full implementation of these programs, and the associated expenditures, will not occur for some time to come.

The Government is working to ensure that climate change funds are used wisely. That is why the 2005 Climate Change Plan states that investments under the Plan will be closely evaluated on an annual basis to ensure value for money, and a continuous focus on actions that result in real and verifiable GHG emission reductions.

In the 2005 Budget and Climate Change Plan, the Government committed to re-assessing and re-directing climate change funding to those measures that best meet the principles of balance, competitiveness, partnership, innovation and cost effectiveness. The result of this review of all climate change programming will be a re-allocation of previously committed monies to better performing or alternatively delivered measures. Officials are in the process of putting the review in place, with the intent that the results support funding decisions for the 2006-07 fiscal year.

The funds committed to climate change are very much needed if we are to achieve our Kyoto commitments. While the 2005 Climate Change Plan put forth a \$10 billion figure, it is important to remember that investments under the Plan are about more than climate change. They will transform our economy, boost our international competitiveness, and address smog and other health risks. Many of these investments, such as energy efficiency and East-West energy transmission, will need to be made anyway for reasons that go beyond climate change.

### ORDERS OF THE DAY

### LABRADOR INUIT LAND CLAIMS AGREEMENT BILL

THIRD READING

Hon. Bill Rompkey (Deputy Leader of the Government) moved third reading of Bill C-56, to give effect to the Labrador Inuit Land Claims Agreement and the Labrador Inuit Tax Treatment Agreement.

He said: Honourable senators, I do not want to prolong debate on this bill, but I do want to put a few thoughts on the record. I first want to thank all honourable senators for their contributions, particularly Senator Cochrane. I want to thank Senator St. Germain for his participation, both here and in committee, and for the support that he has given and I know will continue to give. I want to thank senators on this side as well.

I wish to use this occasion to put some thoughts on the record. Members of the executive of the Labrador Inuit Association are in the gallery again today, as is Wally Andersen, the Member of the House of Assembly for Torngat Mountains in northern Labrador, the provincial riding in question. I salute him, congratulate him and thank him for the work and time he has put into this cause. He is a dedicated member of the provincial House of Assembly. He is an Inuk himself, and I want to put on the record of Parliament his contribution to this process.

• (1450)

I also want to use the occasion to remember some of the elders who, as William Andersen said in committee, passed away over this 30-year period. We should remember them today because they made a contribution. They put much of their lives into this agreement.

I want to remember particularly the other presidents of the Labrador Inuit Association, starting with Sam Andersen, then Bill Edmunds, who was a strong leader for the Labrador Inuit, and Fran Williams, who was the first but perhaps not last female president of the Labrador Inuit Association, who now still continues to give great service to northern Labrador with the OKalaKatiget Society, the communications arm of the Labrador Inuit in Nain.

I want to remember elders who have passed on but who made a significant contribution. I want to remember Jerry Sillett from Nain, who had a great deal of respect in northern Labrador and who contributed a lot from his life into this agreement.

I want to remember Bill Andersen from Makkovik. His son Toby is with us today. Bill was the chief land claims negotiator for the Labrador Inuit; he put much of his time and effort into forging an agreement that is creative and unique and yet strong enough to protect his people. I want to pay tribute to him today, as he is with us here in the gallery.

I want to remember Chesley Flowers from Hopedale, who also made a significant contribution to this agreement.

I particularly want to remember Beatrice Watts. Beatrice was a Ford, originally from Nain. She made an outstanding contribution to northern Labrador. She was part of the land claims team, but her contribution was in education in particular. For her contribution to education on the Labrador coast, protecting the language and culture of northern Labrador, Beatrice was awarded the Order of Canada and also an honorary degree from Memorial University. I want to put her on the record today and to remember her contribution to this.

I wish to make two further points, one being related to something Senator Cochrane mentioned in her remarks the other day, that is, the aspect of this agreement that concerns the territorial sea. The agreement includes provisions to give the Labrador Inuit some say, not perhaps total say, but a great deal of say, and a great deal of influence in what goes on in that sea, that territory off their coasts. The Labrador Inuit are people of the sea. They are people of the seal. The seal has been the source of substance for the Labrador Inuit, as it has been for others, for centuries.

It is very important that the Labrador Inuit have control over marine resources, especially when the time comes that oil and gas off the Labrador coast are developed. That control will assure for them an important and a strong role in the development of those resources; it will ensure that they are the primary beneficiaries of it. This agreement establishes that there must be an impact and benefits agreement if development is to proceed. I think it is fair to say that development will not happen in that marine territory unless the Inuit agree, as was the case in the Voisey's Bay nickel mine.

The second point I want to make is one that was mentioned yesterday in committee, and that is the whole role of the Government of Nunatsiavut in education. That particular area of social activity will be most important to us. All the resources in the world come to no good if people are unskilled and cannot take advantage of the jobs available. Even if the Labrador Inuit were are guaranteed priority in jobs, without the skills and the education they will not be able to go as far as they should.

I was interested yesterday in committee to hear William say that, once this agreement in place, the Inuit in Labrador can begin consultations with Inuit in other parts of Canada — Inuit in Nunavut, Inuit in Nunavik, and the Inuvialuit. In that way, all of the Inuit in Canada can come together to focus on what they want to do with education in their territory and how they want to provide a meaningful and useful education system for their people, to ensure that they take advantage of it.

These are important points to be noted, and I wanted to note them today.

However, I do not want to go on at length. I wish to conclude by underlining something William Andersen said in committee yesterday, something worth putting on the parliamentary record as well.

He said that, fundamentally, this agreement is about hope, that the Inuit have experienced despair. We should not hide the fact that despair has been there with far too great a presence. We have seen the effects of alcohol. We have seen the effects of dependency. We have seen the effects of despair. There is a higher suicide rate in some of our communities, as there is in Aboriginal communities all across this country. That is the evidence of the despair.

Let me share one particular ironic example. In Nain, about three years ago, a young man killed himself by jumping off the CBC tower. The CBC tower should be a symbol of communications in this country, of reaching out, of how we talk to each other as Canadians, a symbol for the future. It was from that tower that he chose to commit suicide.

Honourable senators, we should not underestimate or hide the despair. William said yesterday that this agreement is about hope and about a way of overcoming that despair and moving on and creating a new future. I think it is important to underline that, and this agreement will give the Labrador Inuit that ability.

I would simply underline that by quoting Alexander Pope:

Hope springs eternal in the human breast: Man never is, but always to be blest:

I hope that will be the case, and I believe it will be with the Inuit.

I simply want to leave them with one phrase from *Desiderata*, to say that I hope this applies to them, and I am sure it will.

You are a child of the universe, no less than the trees and stars; you have a right to be here.

And whether or not it is clear to you, no doubt the universe is unfolding as it should.

Hon. Gerry St. Germain: Honourable senators, I too should like to rise to say a few words in regard to Bill C-56, this historic agreement that will definitely improve the plight of our Aboriginal peoples in the eastern Maritime region. I do not have the same background history of the riding as the senator who has just spoken, but I do have a little bit of experience, in that I spent some time with the Royal Canadian Air Force flying the area from Greenland along the Labrador Coast — an area known as iceberg alley. Interestingly, yesterday, William Andersen said that when the two-kilometre-long icebergs hit the bottom of the ocean, they scrape 10 to 12 inches off the granite floor, for two kilometres. I am not sure of the exact numbers, but was scary. In flying over this beautiful region, one cannot understand the immensity and the impact of these icebergs.

The fact that water is part of the agreement will be significant in allowing the Inuit people of Labrador to reach the full potential economically.

Senator Austin is leaving. However, before he leaves, I should like to point out to him that, under the superb leadership of Senator Sibbeston yesterday, right after the parliamentary secretary gave evidence, we started our clause-by-clause consideration of the bill. It puts what was going on before into perspective. I have no regrets. Senator Sibbeston and Senator Rompkey were in attendance at the time. It was important to deal with it expeditiously.

• (1500)

We want to be able to expedite these agreements so that our Aboriginal people can get on with their lives, get on with economic development, and take control of their own destinies as far as education is concerned. Two Es are important: Expedite and educate.

I have been a strong proponent of the idea that education is the only true value that will assist our Aboriginal peoples in finding their rightful place in society and bringing the fairness that has been denied them for so many years. I look forward to working on other bills of this nature.

I should like to take a moment to make mention of my colleague in the other place. I have worked with the minister and with Sue Barnes, but it is Jim Prentice who brings expertise to this task. The Alberta Member of Parliament, who is the lead critic in the other place, has tremendous understanding of the needs of our Aboriginal peoples. He has worked on Aboriginal files and agreements of this nature across Canada for the last 15 or 20 years.

It was under his leadership that we, the other place and now this place, are unanimously approving this particular initiative.

I should also like to make mention of Minister Tom Rideout. I know the Rideout family. His brother worked for me when I was a minister. I know how capable they both are as individuals. Under the leadership of the Premier of Newfoundland and Labrador, Danny Williams, their cooperation should be noted on the record here today.

We heard from my friend William Anderson from the Labrador Inuit Association.

Yesterday Senator Adams expressed the concern that he has regarding the fishery in Rankin Inlet, Nunavut, where he resides. I hope that our witnesses from Labrador will be able to have better control of the destiny of the fishery in their particular region.

Mr. Toby Andersen did an excellent job in negotiating this agreement, especially as it relates to the future of the fishery and the potential that the ocean can bring to his people.

I would congratulate Mr. Toby Andersen and thank him for coming to my office to discuss this file so that I understood it better.

I do not profess to be an expert in Aboriginal affairs in spite of the fact that my colleagues have decided that I should be a member of the Standing Senate Committee on Aboriginal Peoples for my entire career in the Senate. Having said that, one of these days I will most likely understand all of these files. By that time, I will most likely be ready to retire.

As you go forward, we will be here to assist. As a Metis from Manitoba, I bring an Aboriginal perspective to this debate. I try to understand your situation. I think your challenges are different as compared to those of many of our Aboriginal peoples in the West. However, in certain ways, they are similar. We all seek fairness, and I think fairness will be served with Royal Assent tomorrow.

Motion agreed to and bill read third time and passed.

### APPROPRIATION BILL NO. 2, 2005-06

### THIRD READING

Hon. Bill Rompkey (Deputy Leader of the Government) moved third reading of Bill C-58, for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2006.

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read third time and passed.

CANADA SHIPPING ACT CANADA SHIPPING ACT, 2001 CANADA NATIONAL MARINE CONSERVATION AREAS ACT OCEANS ACT

BILL TO AMEND—THIRD READING

On the Order:

Resuming debate on the motion of the Honourable Senator Rompkey, P.C., seconded by the Honourable Senator Robichaud, P.C., for the third reading of Bill C-3, to amend the Canada Shipping Act, the Canada Shipping Act, 2001, the Canada National Marine Conservation Areas Act and the Oceans Act.

Hon. W. David Angus: Honourable senators, I wish to offer a few comments at third reading debate on Bill C-3, to amend the Canada Shipping Act, the Canada Shipping Act, 2001, the Canadian National Marine Conservation Areas Act and the Oceans Act.

After a rather brief examination, this bill was reported back to the Senate on June 9 by the Standing Senate Committee on Transport and Communications. The committee reported the bill without amendment, but did append to its report certain important observations. In particular, it acknowledged serious concerns expressed by witnesses engaged in transporting goods by water to northern Canadian communities.

I share these concerns, which relate to two key aspects of Canadian marine policy. The first concern relates to the unchecked authority of the Department of Fisheries and Oceans to set marine navigation service fees, and the second relates to the levying of marine navigation service fees against ship operators carrying goods through northern waters.

At committee, the Minister of Transport, the Honourable Jean Lapierre, took special note of these concerns, which he said were not directly within his jurisdiction. However, he undertook to discuss the matter and seek a resolution of the outstanding issues with the Minister of Fisheries and Oceans and to report back with the results of these discussions to the Standing Senate Committee on Transport and Communications with the shortest possible delay.

Honourable senators, I look forward to the committee's further advice to this chamber on the results of these promised ministerial discussions, particularly since the issues go directly to the possibility of reducing the costs and expenses involved in providing food and other necessary supplies to the good citizens of Canada's remote northern communities. These exorbitant costs are passed on to these citizens and they are difficult to absorb. Given our recent experience with interdepartmental turf wars in marine-related matters in Canada, I am sceptical as to a successful outcome.

At second reading of this bill on April 14 of this year, I concluded my remarks by stating:

...I earnestly hope that Bill C-3 is given more than a cursory study in committee so that before giving it third reading in this chamber we can be assured that the bill is indeed policy neutral and appropriate in both form and substance so that it can accomplish its intended results.

Unfortunately, honourable senators, having carefully studied the testimony given at committee on Bill C-3, as well as the testimony before the Standing Senate Committee on Energy, the Environment and Natural Resources during the study of Bill C-15, I am left with a profound concern about the apparent confusion surrounding the current roles, mandates, and areas of jurisdictions and authorities allocated to at least three departments insofar as marine policy and operations are concerned. These three departments include: Transport Canada; Fisheries and Oceans Canada; and Environment Canada.

In my respectful submission, honourable senators, it is unfortunate that, even though the government purports to be cleaning up certain jurisdictional overlap and confusion concerning the operations of the Canadian Coast Guard with Bill C-3, it has woefully failed to do so.

• (1510)

To make my point, I will cite just one example from a meeting of the Standing Senate Committee on Transport and Communications. The Honourable Senator Hubley, who in recent months was the government sponsor in the matter of the controversial Bill C-15, asked the following question to Mr. Gerald A. McDonald, Director General of Marine Safety for Transport Canada. He appeared before the committee on June 8 with Transport Minister Jean C. Lapierre. The transcript of the proceedings reads as follows:

**Senator Hubley:** Did the minister say that Transport Canada is now solely responsible for the policing of marine pollution?

Mr. McDonald: Yes, that is correct. We are responsible for the approval of the oil handling facilities for the organizations that are responsible for the cleanup of pollution. We also assumed responsibility for the National Aerial Surveillance Program, which obviously surveys for pollution incidents.

Honourable senators, I daresay Senator Hubley may have been rather surprised or even dismayed to hear Mr. McDonald's answer, given the testimony she had heard from Environment Canada officials as to their responsibilities for pollution cleanup during the hearings on Bill C-15, which lasted more than three months.

Not surprisingly, Senator Hubley then went on to question Mr. McDonald further.

Senator Hubley: Environmental legislation appears in many departments. Is this being coordinated now?

Mr. McDonald: Yes, it is coordinated. You are probably aware of Bill C-15, which was recently passed, which had some oil pollution response provisions in it. Our primary pieces of legislation are the Canada Shipping Act and the Arctic Waters Pollution Prevention Act. We work in a coordinated fashion with the Department of the Environment and the Department of Fisheries and Oceans. Given the new provisions in Bill C-15, we are in the process of negotiating an actual enforcement memorandum of understanding with these two departments on how we will interface in that regard.

Honourable senators, the reality is that great confusion exists within the very important marine and maritime sector in Canada as to just who has responsibility for what. I receive complaints from marine sector stakeholders, including from officials within Transport Canada, on an almost daily basis. These key players cannot fathom why this government will not restore to Transport Canada full, complete and clear authority for all matters maritime at both the policy and the operational levels. They have the manpower and the expertise to do the job as they once did, proudly and in an internationally renowned fashion.

Honourable senators, I am given to understand that the truth is that ongoing petty, costly and dilatory turf battles are causing great difficulties in concluding even a simple memorandum of understanding such as the one referred to by Mr. McDonald in his response to Senator Hubley.

Canada's once proud Coast Guard, now a separate government agency and a shadow of its former self, at the end of the day is now "owned" by the Department of Fisheries and Oceans, not Transport Canada or Environment Canada. Our marine pollution detection and enforcement is notoriously weak and could well be rendered even more so by Bill C-15 and Bill C-3.

Bill C-15 came into being after a jurisdictional battle between Transport Canada and Environment Canada and was designed to strengthen Canada's marine pollution prevention and enforcement capacities. It has already been dubbed by the international marine community as a joke. It will surely be challenged, likely successfully, in the courts if and when Environment Canada attempts to invoke its provisions following a major pollution incident. This could allow the culprits to get off scot-free yet again, as in the *Tecam Sea* case, to which I referred in detail in my second reading speech.

My point here, honourable senators, is that the marine and maritime sector, and maritime matters generally in Canada, are critical elements of this country's economy, of its environmental integrity and of its national security. There is an urgent need for a complete review of all legislation involving marine and maritime policy and operation, especially concerning the role and jurisdiction of the once proud Canadian Coast Guard. Canadians, our neighbours and trading partners deserve better than the existing mish-mash of conflicting, contradictory and overlapping rules, regulations and framework legislation.

Honourable senators, there is strong support for these views in a recent report of the Standing Senate Committee on National Security and Defence. The Honourable Senator Kenny will have more to say on this subject shortly.

At the outset, we were told by the government that Bill C-3 was a simple housekeeping bill to implement a poorly thought-out Order-in-Council passed without fanfare or serious public scrutiny on December 12, 2003. This bill may well in fact add to rather than disperse the confusion.

However, as I stated in second reading, the bill appears at least to be on the right track. The problem is that it does not go far enough, and it conflicts with a vast array of related laws and regulations.

In conclusion, honourable senators, I urge the government to conduct a comprehensive legislative review post-haste and to then come up with a completely new set of marine and maritime laws and regulations, including those relating to the Coast Guard, the whole under the direction and control of Transport Canada and the umbrella of the Canada Shipping Act. This matter is critical and urgent.

The Hon. the Speaker: I see no other senator rising. Are honourable senators ready for the question?

Hon. Senators: Question!

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read third time and passed.

• (1520)

### NEED FOR INTEGRATED DEPARTMENT OF FOREIGN AFFAIRS AND INTERNATIONAL TRADE

INQUIRY—ORDER STANDS

On the Order:

Resuming debate on the inquiry of the Honourable Senator Andreychuk calling the attention of the Senate to the need for a strong integrated Department of Foreign Affairs and International Trade and the need to strengthen and support the Foreign Service of Canada, in order to ensure that Canada's international obligations are met and that Canada's opportunities and interests are maximized.—(Honourable Senator Andreychuk)

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, this inquiry has reached day 15. Although Senator Andreychuk is very much interested in speaking to this inquiry, she is, unfortunately, not available to speak to it today. I would therefore ask on her behalf for the clock to be rewound.

The Hon. the Speaker: Is it agreed that this matter return to day zero and stand?

Hon. Senators: Agreed.

Order stands.

### **CHANGES TO BUDGET 2005**

INQUIRY—ORDER STANDS

On the Order:

Resuming debate on the inquiry of the Honourable Senator Comeau calling the attention of the Senate to the NDP budget announced in the media by the Prime Minister on April 26, 2005; the ruination and destruction of the Liberal budget; the compromised integrity of the Minister of Finance whose previous position was that such measures were fiscally irresponsible; and the irresponsibility of the Liberal government in attempting to shore up its fading support through reckless new spending announcements.

—(Honourable Senator Stratton)

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I assure you that we will have speakers coming up on this issue. I would ask, again, if we could rewind the clock on this item.

The Hon. the Speaker: Honourable senators, is it agreed that this matter return to day zero and stand?

Hon. Senators: Agreed.

Order stands.

### STATE OF INTERNATIONAL HEALTH SERVICES

### **INQUIRY**

Hon. Wilbert J. Keon rose pursuant to notice of June 15, 2005:

That he will call the attention of the Senate to the state of international health services.

He said: Honourable senators, two weeks ago, I had the great privilege of attending a global health summit in Seattle, a summit whose theme was "Science Innovation and the Future of Health: Building Partnerships to Transform Healthcare."

This afternoon, I should like to tell you about the ideas surrounding international health services that were discussed at the summit, as well as some of my own thoughts on the subject.

I apologize in advance if some of the things I will tell you are somewhat technical in nature, but I feel it is important to raise

them so that we may open our minds and embrace new ideas and solutions to health care problems around the world and in our own backyard.

The global health summit considered four major themes — namely, the promise of science; the impact of science and public health; the impact of science on health systems and personal health; and, finally, the impact of science and health on economic growth.

The main question the summit addressed was how to create an improved health care model for the 21st century. This model will have to be much more geographically and socially inclusive. It must also combine international efforts to control or eliminate the large pool of human suffering in developing countries, suffering that threatens the global community with massive pandemic disease.

Participants at the summit agreed that the 21st century will experience a health care revolution and will be led by information, that most mobile and educative of all technologies. In the not-too-distant future, powerful new technology tools will discover and address the causes of poor health, such as lifestyles, environment or genetics. These tools will address the causes at the level of the individual before leading to debilitating and expensive illness.

There are essentially five powerful tools that will drive progress in this area: first, genomics; second, informatics; third, patient care through communications technology; fourth, nanotechnology; and, fifth, bioengineering.

The first three areas I have mentioned deal with the building blocks of biology, bytes and broadband. Nanotechnology and bioengineering from gene chips to stem cells will help to bring about solutions to some of our most pressing health care problems.

Honourable senators, to illustrate what I mean by this, let us briefly consider gene chips, which are small pieces of glass imprinted with thousands of a person's genes. Today, these chips are mostly used to conduct basic genetic research, but it is widely hoped that they will one day be used to tailor medicine to an individual's genetic makeup.

The combination of biology, bytes and broadband is not only the heart of modern health care, but also it is at the centre of the development of our overall environment, economy and education. Technological barriers have become less relevant as we can now access even the most remote of settlements. Today, the transfer of information is global and instant. By the same token, the accessibility and power of the best diagnostics tools, critical to an early health care strategy, have improved exponentially. We all have a stake in maximizing the potential that technology affords us.

We must engage in digitalization of diagnostics and biomarkers and in molecular diagnostics and therapeutics. We must begin the utilization of nanotechnology and the digitalization of medicine. Developing tools for health risk assessment and therapeutic evaluation will lead to early diagnostics and therapy. Some of our more optimistic scientists tell us that it is not inconceivable that,

using the chemistry and technology available at this point in time, diseases such as cancer, heart disease and diabetes may virtually be eliminated within 10 years. What an incredible thought. This would leave us room to deal with the horrendous problems caused by mental illness and other conditions that have not received nearly enough of our attention.

We must move to personalize health care delivery by embracing information technology and alleviating or eliminating the related fears of privacy invasion. Information technology holds the potential for the improved management of diseases such as Parkinson's and Alzheimer's with the management systems that embrace computerized assisted-living, information technology and robotics. This technology can also help to restore the patient's independence and allow families to monitor their loved ones regardless of distance.

I point to the example of technology currently available to Alzheimer's patients. When the door bell or telephone rings in their home, a profile of the person calling is displayed, helping to eliminate some of the embarrassment and apprehension that the Alzheimer's patient frequently encounters at this time.

Honourable senators, the global health summit also considered the cost profile of health models. An early health model may be less expensive than building and maintaining a health system focussed on late-stage disease. By shifting the current health care model, the majority of resources used to treat illness can eventually be relocated to provide practical tools to help and motivate the individual to understand and maintain their own health before they become sick. This early health model is a tremendous opportunity for all health care contributors to unite in the design and collaborative delivery of vital new programs.

Many times before this chamber, I have drawn attention to the need for a greater investment in primary health care, which pays close attention to lifestyle, environment, early diagnosis and intervention. Primary care also involves electronic health records, remote real-time monitoring and early screening programs, all tailored to the individual.

Why should a physician's office simply be a place that people visit when sick? An obvious step forward would be the creation of a centre for health, fitness and diagnostic resources that interacts with the broader community.

In my opinion, primary care stands the best chance of limiting the advance of late-stage diseases that are both debilitating and expensive. As a consequence of this focus on primary care, we will make greater investments in community-based services centred on the patient and fewer investments in tertiary hospital institutions. In other words, I believe that an immediate shift is needed away from institutional care toward community-based primary care.

Health care delivery needs to move from being our greatest modern cost to becoming our greatest modern asset. It is the number one economic activity in the world and our goal should be to capitalize on the opportunities it affords.

• (1530)

Where does this leave us in Canada? It is important that we question the path we are on, as our current health care system is not sustainable over the long term. We must join the global initiative to design a new and better model for health care. This model must be cost-effective and based upon prevention and early detection. Improvements in productivity will also make the system more cost-effective.

Illogically, we have frequently approached this issue from the point of view of gatekeeping. The result of this mindset has been long waiting lists and incredibly expensive treatment of advanced disease.

Our health care system fares particularly badly when we compare it to 24 other OECD countries. With the exception of United States and Switzerland, our expenditures are the greatest. However, Switzerland, which currently spends slightly more than Canada, ranks number one in overall performance. We rank thirteenth. Switzerland ranks third in health outcomes. We rank twentieth.

In Switzerland, health care is funded by health insurance which has three components: Compulsory basic social insurance; supplementary insurance; and, sickness, old age and disability insurance. In Canada, 70 per cent of all services are covered by the government — the single payer — and 30 per cent are privately covered.

Honourable senators, science and health should be instruments of economic growth. The accumulation of clinical and biomedical information is a powerful and beneficial economic activity in itself. As well, the appropriate application of health care knowledge and wisdom leads to healthier and more economically engaged populations.

We should invest heavily in the development of vaccines to deal with the ever present threat of serious global pandemics. We must create definitive and safe ways to control insects that carry and spread disease.

I would particularly stress that the level of debate surrounding health care must be significantly elevated. The debate must dare to look at the best options worldwide and adapt them to our own system in carefully measured steps. We must target the major diseases such as cancer, heart disease, mental illness and diabetes and work to eliminate or control them. We must join the global effort to eradicate poverty, pestilence and disease to ease or eliminate the risk of global pandemics.

Honourable senators, in light of the recent Supreme Court of Canada decision, we must look for a process of rapid evolution of our own health care system. It is my firm belief that our system, as it stands today, is designed for the practitioner, not the patient, and we must change this. It is also my belief we must preserve the single payer system. The single payer, publicly funded system is the most efficient and equitable way to pay for health care. However, competition should be allowed in the delivery systems to improve quality and reduce costs.

Although there are many health care providers, we should think of them collectively as a monopoly provider because there is no competition among them. Most doctors do not compete on price or quality of service, and the financing system precludes competition between hospitals.

Honourable senators, we must remember that competition in health care is not an end in itself but a valuable tool. I understand that is an idea considered controversial by some, but it is perhaps the only way to drive productivity improvements that are so desperately needed. In other countries, competition between providers has been shown to improve productivity tremendously. In our own country, we have witnessed the benefits of competition in other industries.

The system could also be made more productive and efficient through better use of providers, allowing them to use their full range of skills and knowledge. Currently, scope of practice rules prohibit this. Narrow job descriptions have limited the range of tasks that health care professionals may be permitted to perform. Rigid scope of practice rules have also given hospitals little flexibility in how they deliver service. There must be a way that we can arrive at a system where the most appropriately qualified health care provider delivers a service to a patient. We must encourage ingenuity, not an unyielding adherence to the practices of the past.

I believe we have also reached the point where every Canadian deserves a health care guarantee for essential services. Honourable senators may remember that a care guarantee was one of the recommendations of the 2002 report of the Standing Senate Committee on Social Affairs, Science and Technology.

A health care guarantee would ensure that, for every type of major procedure or treatment, a maximum waiting time would be established under which a patient would be entitled to receive care. If a service cannot be provided in a timely fashion in one particular location, the government would be legally obliged to pay for the patient to receive that service in another jurisdiction inside or outside the country. This legal commitment to care would force governments either to improve access to care and reduce wait lists or pay a penalty.

However, honourable senators, Canada's current health care system is designed for the rich and powerful. It is not just the poor and dispossessed who have little clout when it comes to timely access. It is the average Canadian. Our health care system is designed for the rich and powerful. We have to change that. By adopting a care guarantee, we would make sure everyone is treated the equally.

Honourable senators, I realize that many of the ideas I have presented to you today are unfamiliar. Some will require bold and imaginative thinking on the part of our leaders. The bottom line is that we can and we should do much better. We must look to the rest of the world and try to keep pace with them.

Hon. Jane Cordy: Honourable senators, I wish to ask a question.

The Hon. the Speaker: Honourable senators, Senator Keon's time has expired.

Senator Keon: May I have time to answer the question?

The Hon. the Speaker: Is leave granted for additional time?

Hon. Senators: Agreed.

Senator Cordy: I am also a member of the Standing Senate Committee on Social Affairs, Science and Technology, and I want to go back to the issue of the care guarantee because it is extremely important. I think of the *Chaoulli* case in Quebec when Chief Justice Beverley McLachlin found that access to a waiting list is not access to the health care system. Would the honourable senator expand on his comments on the care guarantee, and how it would improve access to the health care system, not to a waiting list? What would be the ramifications if we did not have a health care guarantee?

Senator Keon: I have been a believer in a form of health care guarantee for a long time. In 1987, the Minister of Health of Ontario, Elinor Caplan, asked me to chair a committee to deal with waiting lists for cardiac surgery in Ontario at that time. Out of that came the Cardiac Care Network of Ontario, which provides a health care guarantee for cardiac surgery. The committee defined who should be on the waiting lists and who should be treated within given periods of time. It was province-wide and computerized, and if someone could not be treated in Ottawa within an appropriate length of time, he or she could be sent to Toronto. It was not long before the waiting lists for cardiac surgery came under control. Since that time, virtually everyone in the province has been treated within the appropriate time as defined by expert panels.

• (1540)

I am aware, as you are, that there have been trials and errors in other countries respecting wait time guarantees. Politics or limitations of the health care profession itself have caused the failure to meet wait time guarantees. I would suggest that, if we rely on expert panels, their findings will be objective. It is not terribly difficult to establish appropriate wait times for everyone, and it is not terribly difficult to implement a wait time guarantee.

I also believe that the controversy about allowing private delivery systems to evolve will then disappear.

Hon. Marilyn Trenholme Counsell: Honourable senators, coincidentally, I was in the process of preparing a statement for tomorrow on a similar topic.

I have collected many sheafs of news clippings of remarks made by Senator Keon and Senator Kirby. Those statements appear to convey this message: "Save medicare with a dose of competition. Make hospitals compete for patients. Let's hear it for health care premiums. Let the market forces drive medicare," and so on.

I am most concerned about all of this and, as such, I should like to know Senator Keon's opinion on the benchmarks that were recently released by the Wait Time Alliance as a reaction to the first minister's conference last September. As honourable senators know, the first ministers across this land are working assiduously to deal with some of the problems the senator has mentioned. I should like to know if Senator Keon is satisfied with the summary of benchmarks, by priority level, for diagnostic imaging and nuclear medicine, joint replacement, cancer care, sight restoration and cardiac care.

Senator Keon: Honourable senators, I cannot intelligently answer that question. I have not had time to study that subject, but it is my intention to do so. As you know, I have been preoccupied with the work of our committee and I attended the hearings in Montreal yesterday. I just got back last night. I am behind in my reading. I apologize that I cannot respond immediately, but I will express my opinion once I have had an opportunity to read this material.

The Hon. the Speaker: If no other senator wishes to speak, this inquiry will be considered debated.

### RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

COMMITTEE AUTHORIZED TO STUDY PARTICIPATION OF SENATORS BY TELEPHONE OR VIDEO CONFERENCE DURING COMMITTEE MEETINGS

Hon. Joan Fraser, pursuant to notice of June 21, 2005, moved:

That the Standing Committee on Rules, Procedures and the Rights of Parliament be authorized to examine and report on the participation of senators by telephone or videoconference during public and in camera meetings of select committees.

She said: Honourable senators, this motion speaks for itself. This is a question that arises from time to time and, as is so often the case with the procedure in this place, it ends up raising enormously complex questions.

The Rules Committee, to my understanding, has examined the matter several times in the past but has not issued a formal report, recommendation or proposal for a rule change. I, and the members of the Transport Committee, wherein the question arose yesterday, thought it would be useful once and for all to have a ruling on this from the Standing Committee on Rules, Procedures and the Rights of Parliament.

I would simply add that the motion refers to meetings of select committees, which would be both standing and special Senate

committees, but of course would not cover Committee of the Whole or joint committees, because, in both cases, those require different mechanisms to determine their procedures.

Hon. Eymard G. Corbin: Honourable senators, I have a question. Would Senator Fraser care to modify the text of her motion by adding the words "absent" before "senators" so that the motion would read "That the Standing Committee on Rules, Procedures and the Rights of Parliament be authorized to examine and report on the participation of absent senators by telephone or videoconference..." because senators duly present at committee meetings do participate in video conferences. Who Senator Fraser is targeting here are senators who are physically absent from the Senate or its committees.

Senator Fraser: Honourable senators, obviously Senator Corbin is right. That is what we are talking about. However, I do not know if the addition of the word "absent" would not lead us into other thickets.

I am a member of the Rules Committee. We could stress in our discussion of this motion before the Rules Committee that we are targeting senators who are away. I fear that adding the word "absent" might lead us down byways that were not the object of the motion. I know the honourable senator is trying to be helpful. Would "...senators who are not physically present..." be acceptable?

Hon. Marjory LeBreton: Honourable senators, the subject matter of this motion was the basis of some discussion in the Rules Committee yesterday, although the discussion was not based on this particular motion. I suppose the motion could be referred to the committee, but the subject is already one of the items that we have pending in the Rules Committee. It is rather interesting that it was before the Transport Committee at the same time we were discussing it in the Rules Committee.

Senator Fraser: In response to that comment, I would remark that it is indeed ironic that it happened at precisely the same time, but my understanding is that the Rules Committee did not make a report yesterday. I am suggesting that this issue, which has been discussed several times, should lead to a report so that we know where we stand. Since it has been discussed several times, I doubt that it would take up a great deal of the time of the Rules Committee.

Motion agreed to.

The Senate adjourned until Thursday, June 23, 2005, at 1:30 p.m.

### **CONTENTS**

### Wednesday, June 22, 2005

**PAGE** 

PAGE	PAGE
ibutes the Honourable Isobel Finnerty on. David P. Smith	Business of the Senate Request for Information on Legislative Agenda. Hon. Lowell Murray 1568 Hon. Jack Austin 1568 Hon. Nöël A. Kinsella 1569 Hon. Terry Stratton 1569 Hon. David Tkachuk 1569
on. Lowell Murray       1561         on. Shirley Maheu       1561         on. Pana Merchant       1562         on. Terry M. Mercer       1562         on. Joyce Fairbairn       1562         on. Art Eggleton       1563         on. Catherine S. Callbeck       1563         on. Mira Spivak       1564         on. Isobel Finnerty       1564	Delayed Answer to Oral Question Hon. Bill Rompkey
OUTINE PROCEEDINGS	ORDERS OF THE DAY
udy of Issues Dealing with Rate of Productivity port of Banking, Trade and Commerce Committee Tabled. on. Jerahmiel S. Grafstein	Labrador Inuit Land Claims Agreement Bill (Bill C-56) Third Reading. Hon. Bill Rompkey
UESTION PERIOD	Appropriation Bill No. 2, 2005-06 (Bill C-58) Third Reading. Hon. Bill Rompkey
ne Senate arla Homolka—Comments by Senator. on. David Tkachuk	Canada Shipping Act Canada Shipping Act, 2001 Canada National Marine Conservation Areas Act Oceans Act (Bill C-3) Bill to Amend—Third Reading. Hon. W. David Angus
ouse of Commons hics Commissioner—Report on Member for York West. on. Marjory LeBreton	Need for Integrated Department of Foreign Affairs and International Trade Inquiry—Order Stands. Hon. Terry Stratton
dustry chonology Partnerships Canada—Funding Transparency. con. Donald H. Oliver	Changes to Budget 2005 Inquiry—Order Stands. Hon. Terry Stratton
he Senate hics Officer—Nominations to Conflict of Interest Committee. on. Marcel Prud'homme. 1567 on. Jack Austin 1567	Inquiry. Hon. Wilbert J. Keon. 1575 Hon. Jane Cordy 1577 Hon. Marilyn Trenholme Counsell. 1577
riculture and Agri-Food voine Spongiform Encephalopathy—Possibility of Disease n United States Cow. on. Gerry St. Germain	Rules, Procedures and the Rights of Parliament Committee Authorized to Study Participation of Senators by Telephone or Video Conference During Committee Meetings. Hon. Joan Fraser



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Thursday, June 23, 2005

THE HONOURABLE DANIEL HAYS SPEAKER

### **CONTENTS**

(Daily index of proceedings appears at back of this issue).

Debates and Publications: Chambers Building, Room 943, Tel. 996-0193

### THE SENATE

Thursday, June 23, 2005

The Senate met at 1:30 p.m., the Speaker in the chair.

Prayers.

### SENATORS' STATEMENTS

### AIR INDIA TRAGEDY

### TWENTIETH ANNIVERSARY

The Hon. the Speaker: Honourable senators, before we proceed with our business this afternoon, I would ask you to rise with me and observe one minute of silence on this, the twentieth anniversary of the Air India tragedy.

Honourable senators then stood in silent tribute.

Hon. Jack Austin (Leader of the Government): Honourable senators, today marks 20 years since the bombing of Air India flight 182, a tragedy that remains the worst terrorist incident in the history of our country. This attack resulted in over 300 lives lost, a large number of them Canadians, primarily from Toronto and Vancouver.

The Prime Minister heads a delegation to Ireland, which includes Premier Gordon Campbell of British Columbia and the leaders of the opposition parties in the House of Commons, to participate in the Air India memorial ceremony to honour the victims, as well as the families who live with the aftermath of this tragedy. The ceremony took place this morning at the Ahakista Monument, a memorial garden with a sundial donated by the people of Canada, India and Ireland.

Here in Canada, there are memorial plaques in Toronto and Ottawa to remember this historic loss, and the national flag of Canada will be flown at half mast on the Peace Tower and on federal government buildings across Canada.

There is nation-wide regret that the persons responsible for this enormous tragedy have not been identified and convicted in a court of law. After a trial lasting almost two years, which resulted in no convictions, the Government of Canada appointed the Honourable Bob Rae as Independent Advisor on the Air India tragedy to report on whether an inquiry should be held. For the benefit of the families involved and because it is in the greater public interest, every effort must be made to find resolution to any questions which remain..

Prior to 9/11, there was a tendency in North America to trust that our part of the world was insulated from violent civil unrest. The Air India bombing is a reminder to us all that Canada is not isolated from the global community. Although we consider ourselves a peaceable kingdom in terms of our own political system and national disputes, there exist rivalries and antagonisms in worlds outside our borders which have a great impact on nations such as ours, previously regarded as disinterested parties.

It is incumbent upon all levels of government and communities across this country to ensure that all our residents are genuine participants and supporters of our great Canadian polity. To this end, there has been increasing focus on the Canadian political system as illustrated by the Special Senate Committee on the Anti-terrorism Act, chaired by Senator Fairbairn, which has been holding hearings every week since December 2004.

Violence has never been the answer for Canadians, but it remains a solution for some and, therefore, a constant threat to the world community. In recognition of this regrettable global reality, and in honour of the loss of life in the Air India tragedy, the Prime Minister has recommended to the Governor General that a proclamation be issued designating June 23 as a national day of remembrance for victims of terrorism.

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I rise to join with the Leader of the Government in the Senate in the observance of this sad anniversary. Twenty years have now passed since Air India flight 182 was lost over the Atlantic Ocean, just off the coast of Ireland.

When that aircraft exploded on June 23, 1985, it ended the lives of 329 men, women and children. In that moment, the lives of their family members and friends were changed forever.

Today, in the Irish city of Cork, many of them will join the Prime Minister and the Leader of the Opposition in an act of remembrance and reflection. Others will observe this day in cities across India and also across Canada, especially in Vancouver, British Columbia, where the flight originated.

The Air India bombing, honourable senators, was the worst terrorist attack ever directed at Canadians, as over 200 people on board that flight were our fellow citizens. Prior to the September 11 attacks on the United States, it was the world's worst case of aviation terrorism. It was, and remains for us as Canadians, a national tragedy, made all the more painful by an almost complete absence of accountability.

An old adage says that time heals all wounds. One wonders if the families of the Air India bombing have ever experienced healing as they continue to wait for justice to be served. We can be reminded of the words of a mother who lost her two young sons, aged 11 and 14, in the bombing when she recently said that, if no one is accountable, then she feels that she is accountable because she put them on the plane.

### • (1340)

Honourable senators, I share the hope of many other Canadians that the victims' families will soon be granted a public inquiry into the investigation so that they might find the answers that have long eluded them. With those answers may come some semblance of peace.

So it is, honourable senators, that today we remember 329 people whose lives were cut short by a brutal act of terror. On behalf of my colleagues, I extend my condolences to the family members and loved ones, along with the hope that such a tragedy never again strikes our country and her citizens.

Hon. Terry M. Mercer: Honourable senators, I rise today on behalf of Senator Jaffer and all members of the South Asian community, to remember the men, women and children who lost their lives in the senseless terrorist attack that occurred 20 years ago. The South Asian community suffered a great tragedy. Thus far, it has mostly suffered on its own.

As our nation mourns these people, I should like to share with you the pain of these families. Twenty years ago they were so shocked by the loss of their loved ones that the families did not know how to carry on living, much less how to react. Soon enough, these families began looking for answers, and they found few. They found that no one was informing them of the details of the investigation, let alone seeking their input.

Although this atrocious act culminated in a deadly explosion 31,000 feet above the coast of Ireland, its effects have been felt here in Canada. It was here in Canada that those responsible for this premeditated slaughter plotted their attack. It was here in Canada that the bombs were planted. It was here in Canada that thousands of friends and family were left with nothing but their shock, grief and loss. Nothing can ever bring back the last 20 years. The parents of those children lost on that aircraft will never see their children grow and prosper, and nothing can bring back the years lost with a husband or a wife, or restore to young men and women the decades of love from a parent who cannot be here.

We have seen those who have lost their loved ones wait for answers. What these people have been waiting for is justice — something they may never see. They have been waiting for our great nation to take action so they can begin to heal.

Honourable senators, all Canadians are equal. The South Asian community has suffered a great tragedy. Their community is our community. Today, I urge all honourable senators to stand up for these families and ask that a further investigation take place so that the families can get answers and all Canadians can learn what happened. Most importantly, we must learn how to prevent such a tragedy from happening again in the future.

On this day we reach out to the families. We say a prayer for their loved ones, and we tell them that together we will insist on justice being served.

Hon. Senators: Hear, hear!

### VISITORS IN THE GALLERY

The Hon. the Speaker: I would draw the attention of honourable senators to the presence in the gallery of Dr. Pius Okong, President of the Association of Obstetrics and Gynaecologists of Uganda and Head of the Obstetrics-Gynaecology department at St. Francis Nsambya Hospital in Kampala. He is accompanied by his wife, Mrs. Kanyiginya Euzbia Okong. He is a consultant to the Government of Uganda and a recognized expert on mother-to-child HIV/AIDS transmission, safe motherhood practices and newborn health. They are the guests of Senator Pépin.

On behalf of all honourable senators, welcome to the Senate of Canada.

### THE HONOURABLE ISOBEL FINNERTY

### TRIBUTE ON RETIREMENT

Hon. Ethel Cochrane: Honourable senators, I rise today to offer heartfelt congratulations to my good friend and colleague Senator Finnerty, who will be retiring from this chamber on July 15. For those of us who know Isobel well, it is quite a task to list her accomplishments and achievements. Her public life has been marked by an intense commitment to serve her community and to promote the involvement of others. She has devoted herself to training and encouraging young people to become active in their communities and, of course, in the political process.

This work has taken her to every province in Canada, and it has even earned her national and international recognition. In fact, in 1994, Isobel was invited to Benin, Africa to work as an international trainer for the National Democratic Institute for International Affairs.

Here at home, Senator Finnerty has given countless hours of her time in an effort to influence the political landscape at the federal and provincial levels. Of course, we all know that Isobel's roots in the Liberal Party of Canada run deep. She has been a key organizer and a contributor for decades, and she has served her party well.

It is only since she was appointed to the Senate in 1999 that I have had the good fortune of knowing Isobel. We have served together as members of the Standing Senate Committee on Energy, the Environment and Natural Resources and have many fond memories of our work and our travels together, especially one particular trip to the GLOBE Conference in Vancouver, which stands out in my mind, and I am sure it does in hers.

Honourable senators, I can tell you that I have had many experiences with our honourable colleague. She has been a true friend to me, and I thank her dearly for that gift of friendship. Quite frankly, she is among the most considerate and dedicated people with whom I have ever had the privilege to work. Over the years, I have been awestruck by her many quiet acts of kindness and support to people both known and unknown to her. It continues to astound me how, at an age when jokes about memory loss are commonplace, Isobel can still remember the name of every person she meets. As we know, that number is great.

While sitting on the opposite side, I have witnessed her tireless work ethic, astute observations and tremendous sense of duty to the people she represents. Above all, I have observed with wonder the amazing rapport she has with people.

Isobel, I am one of the many people here today who will miss your loyal advice, your quiet but marvellous humour and your easy-going manner. You may be leaving this chamber too soon, but I know that friendships that you forged here will continue on for many years to come.

My friend, I wish you and Les many happy years in a well-deserved retirement.

### HEALTH

### UNIVERSAL PUBLIC SYSTEM

Hon. Marilyn Trenholme Counsell: Honourable senators, it is the following headline in *The Globe and Mail* on June 22 that moves me to speak: "Private-health activist a 'super star" The article reads:

Obviously enjoying his new international fame, Dr. Chaoulli issued an invitation to U.S. companies eager for a piece of an emerging two-tier health-care system in Canada.

Honourable senators, I ask you to join me in speaking positively and constructively about Canada's health care system, especially in the knowledge that Canada's first ministers have pledged their participation in specific initiatives to overcome the shortcomings in our health care system, including wait times.

The voices of Canada's senators are critically important in this debate. After all, a number of senators were quoted extensively in the Supreme Court decision *Chaoulli v. Quebec (Attorney General)* on June 9, 2005. It may well be that the influential voices of Canadian senators, represented by a renowned jurist, caught the attention of the Supreme Court justices more than any other individual or group heard in this landmark case.

Honourable senators, this is the beginning of a historical debate — one that will determine the future of health care in Canada. Canadians are perplexed. In an Ipsos-Reid poll last week, 70 per cent accept some combination of a public and private health care system. Yet, 57 per cent favour the use of the notwithstanding clause in the Canadian Charter of Rights and Freedoms to block a two-tier system of health care in Canada.

As the voices of Canadians in the Parliament of Canada, all members of the House of Commons and the Senate have an opportunity to speak to this issue and to make a difference. I will stand firmly in favour of the five principles of the Canada Health Act. For me, medicare is a sacred trust. I will also support my fellow health care workers in their calls for a strengthening of all health care professions — more professionals, more sharing and more money. We must be creative and vigilant in making medicare work. I call upon my fellow citizens to value our health care system and to value their own health and that of their families.

### • (1350)

Medicare was never meant to be an all-you-can eat buffet. Every health care professional and every Canadian must take responsibility and be prudent in his or her usage of our health care system, to the greater good of all Canadians. The first step for a healthy nation is to raise healthy children and, as adults, to make wellness a way of life.

Voices for health, voices for the Canada Health Act, voices for equality for every child and every man and woman in this great country — we can make a difference, and we must.

Hon. Senators: Hear, hear!

[Translation]

### **ROUTINE PROCEEDINGS**

### DEMOCRATIC REFORM

### FIRST ANNUAL REPORT TABLED

Hon. Fernand Robichaud (Acting Deputy Leader of the Government): Honourable senators, I have the honour to table in both official languages, a copy of a document entitled First Annual Report on Democratic Reform.

[English]

### CRIMINAL CODE

### BILL TO AMEND—REPORT OF COMMITTEE

Hon. Jerahmiel S. Grafstein, Chair of the Standing Senate Committee on Banking, Trade and Commerce, presented the following report:

Thursday, June 23, 2005

The Standing Senate Committee on Banking, Trade and Commerce has the honour to present its

### SIXTEENTH REPORT

Your Committee, to which was referred Bill S-19, An Act to amend the *Criminal Code* (criminal interest rate), has, in obedience to the Order of Reference of Tuesday, December 7, 2004, examined the said Bill and now reports the same with the following amendment:

Page 1, clause 1:

- (a) Replace line 4 with the following:
  - "1. (1) The definitions "criminal rate" and"; and
- (b) Add after line 32 the following:
  - "(2) Section 347 of the Act is amended by adding the following after subsection (8):
  - (9) This section does not apply to any agreement or arrangement under which the credit advanced exceeds one hundred thousand dollars.".

Respectfully submitted,

JERAHMIEL S. GRAFSTEIN

Chair

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Grafstein, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

### SPIRIT DRINKS TRADE BILL

### SECOND READING—REPORT OF COMMITTEE

Hon. Joyce Fairbairn, Chair of the Standing Senate Committee on Agriculture and Forestry, presented the following report:

Thursday, June 23, 2005

The Standing Senate Committee on Agriculture and Forestry has the honour to present its

### EIGHTH REPORT

Your Committee, to which was referred Bill S-38, An Act respecting the implementation of international trade commitments by Canada regarding spirit drinks of foreign countries, has, in obedience to the Order of Reference of Wednesday, June 15, 2005, examined the said Bill and now reports the same with the following amendments:

- 1. Page 2, clause 3, replace lines 3 to 9 with the following:
- "3. (1) No person shall use the name of a spirit drink referred to in sections 1 to 5 of the schedule to sell a product as a spirit drink except in accordance with those sections.
- (2) Subsection (1) does not prevent the use of the name of a spirit drink to sell the spirit drink if it has been blended or modified in accordance with the laws of Canada.
- (3) Subsection (1) does not prevent the use of any registered trademark that was applied for before January 1, 1996. ".
- 2. Page 2, add after line 9, the following:
- "3.1 (1) No person shall use the name of a spirit drink referred to in sections 6 to 14 of the schedule to sell a product as that spirit drink except in accordance with those sections.
- (2) Subsection (1) does not prevent the use of the name of a spirit drink to sell the spirit drink if it has been blended or modified in accordance with the laws of Canada. ".
- 3. Page 6, replace sections 1 to 7 of the schedule, with the following:
  - "1. (1) A spirit drink may be sold using the name Grappa if it has been produced exclusively in Italy.

- (2) A spirit drink may be sold using the name *Grappa di Ticino* if it has been produced in the Ticino region of Switzerland.
- 2. A spirit drink may be sold using the name *Jägertee*, *Jagertee* or *Jagatee* if it has been produced exclusively in Austria.
- 3. A spirit drink may be sold using the name *Korn* or *Kornbrand* if it has been produced exclusively in Germany or Austria.
- 4. A spirit drink may be sold using the name Ouzo or Oo if it has been produced exclusively in Greece.
- 5. A spirit drink may be sold using the name *Pacharán* if it has been produced exclusively in Spain.
- 6. Scotch whisky may be sold under that name if it has been distilled in Scotland as Scotch whisky for domestic consumption in accordance with the laws of the United Kingdom.
- 7. Irish whisky may be sold under that name if it has been distilled in Northern Ireland or in the Republic of Ireland as Irish whisky for domestic consumption in accordance with the laws of Northern Ireland or the Republic of Ireland.".

Respectfully submitted,

### JOYCE FAIRBAIRN Chair

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Mitchell, report placed on the Orders of the Day for consideration at the next sitting of the Senate

### QUESTION PERIOD

### **FINANCE**

BUDGET 2005—NEWFOUNDLAND AND LABRADOR AND NOVA SCOTIA OFFSHORE OIL AND GAS AGREEMENT— EFFECT OF DELAY IN LEGISLATIVE PROCESS

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, my question is directed to the Leader of the Government in the Senate. Last night at the Standing Senate Committee on National Finance meeting, the Minister of Finance testified to the effect that cheques for the payment of over \$800 million to the Province of Nova Scotia and the prepayment of some \$2 billion to the Province of Newfoundland and Labrador, which would be provided for by Bill C-43, would be cut within 48 hours of the coming into force of the bill. We were pleased to hear that the government would be moving quickly in that regard.

Having taken the decision not to accept the opposition's offer that would have expedited our treatment of Bill C-43 such that it could have received Royal Assent this afternoon at four o'clock at the same time as some other bills, is the Government of Canada prepared to compensate the Province of Newfoundland and Labrador and the Province of Nova Scotia? In Newfoundland's case, the lost interest, even at 2 per cent, would be some \$170,000 a day. Will the Province of Newfoundland and Labrador and the Province of Nova Scotia be compensated for that loss of interest?

Hon. Jack Austin (Leader of the Government): Honourable senators, the question of Senator Kinsella is somewhat difficult to grasp. In the first instance, of course, the passage of legislation depends on so many decisions by the legislative participants. We have noted the very irregular pace of Bill C-43 in the other place, some of that delay being caused by the party represented in this chamber by Senator Kinsella.

Apart from that, it is understood in the arrangement with the Province of Nova Scotia and the Province of Newfoundland and Labrador that the liability to pay arrives with the coming into force of Bill C-43 upon Royal Assent.

The governments of those, provinces also understand the importance to themselves, as well as to other Canadians, of Bill C-48. It has not been brought to my attention that we have received notice of any change from those two provinces in the understanding with regard to Bill C-43 and Bill C-48.

Senator Kinsella: Honourable senators, the only knowledge that this chamber has is of legislation that is before this chamber. What is before this chamber is Bill C-43, which was examined very carefully by all honourable members of this house. Part 12 of that bill contains the Atlantic accord. Section 5 in Part 12 provides for the payment of some \$830 million to the Province of Nova Scotia upon the coming into force of that bill. We consented to the bill being given clause-by-clause treatment last night so that it could be reported today, and we could have consented to doing third reading such that this afternoon, when Royal Assent is already taking place, Bill C-43 could have been given Royal Assent at the same time. Based upon the testimony of the Minister of Finance, that meant that the cheque would have been cut within 48 hours. The government, in playing whatever game it is playing by trying to have linkage between Bill C-43 and Bill C-48, will have to answer for it. I cannot answer for that.

• (1400)

Honourable senators, what I can answer for is the fact that, in good faith, this side of the house has conducted itself in the best interests of both Newfoundland and Labrador and Nova Scotia — and I can quantify that based upon the minister's own words a few seconds ago: Once this Bill C-43 receives Royal Assent, things flow from it. What flows from it, as the Minister of Finance told us last night, will be a cheque for \$2 billion for the Province of Newfoundland and Labrador. The fact that this money is not flowing as of today but, rather, some time next week, or who knows when, means that the people of Newfoundland and Labrador will be losing \$170,000, minimum, per day.

My question to the government is quite simply this: Will the government take that into consideration and compensate the people of Newfoundland and Labrador, as well as the people of Nova Scotia, for that lost interest?

Senator Austin: Honourable senators, Senator Kinsella seems to have completely lost his memory of the last several weeks. He does not seem to remember May 19 and a vote in the other chamber, when his party tried to defeat the government.

Senator Kinsella: I sit in this house.

**Senator Austin:** That would have destroyed the Atlantic accord and any chance of those provinces receiving any money whatsoever.

Senator Kinsella: I sit in the Senate.

Senator Austin: Think of the interest that would have been lost then.

It is well understood, honourable senators, that this chamber has a way of dealing with legislation. We are a chamber of review. We are a chamber of deliberate consideration, and it is proper and appropriate that Bill C-43 goes to committee and that the Minister of Finance gives evidence before that committee.

Senator Kinsella: Shame, shame.

**Senator Austin:** It interests me greatly, honourable senators, to be told that there were nine requests for additional information.

Senator Mercer: Nine?

Senator Austin: Nine requests for additional information from the Minister of Finance: There was a request by Senator Mitchell for the provincial breakdown of infrastructure funding in Bills C-43 and C-48; there was a further request from Senator Mitchell for the provincial breakdown of the \$100 billion tax reduction plan; there was a request from Senator Downe regarding the air travel security charge; there was a request from Senator Stratton regarding spending decisions since the 2005 Budget.

Senator LeBreton: That was your own bill.

Senator Austin: There was another request from Senator Stratton regarding the income supplement. He wanted the details of benefits and clawbacks. Senator Downe, again, asked about the Guaranteed Income Supplement, namely, what is being done to ensure that eligible recipients are aware of the benefits. Senator Stratton then asked questions, and they were important questions, about early learning and child care and what is being done for rural communities. Senator Tkachuk, also on the same subject, wanted to know what agreements had been signed to date.

Senator Tkachuk: I asked that of another witness.

Senator Austin: Senator Tardif, also on that subject, asked what provisions there were for official languages.

Senator Tkachuk: Please, please.

Senator Austin: Honourable senators, the Minister of Finance is allowed a day or so to provide the answers to those very important questions. It is the business of this chamber to hold the executive to account — how many times have we heard that from the other side? — and to obtain answers from the government before legislation is passed by this chamber.

Senator Cochrane: The answers are not relevant.

Senator Austin: Honourable senators, we are proceeding as we should, and no compensation claim can be levied on the Government of Canada because the Senate is doing its work as it should do it.

Hon. Senators: Hear, hear!

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, my question is addressed to the Leader of the Government in the Senate. It is funny that when we decide to do something, as we did yesterday with Bill C-56, the Inuit bill, it just sails right through because this was an important bill for the Inuit people. Yet, we take Bill C-43 and relegate it to the back lane because it is not appropriate. How do you think that makes Newfoundlanders and Nova Scotians feel? I would think it makes them feel pretty second-rate. If you can whip through Bill C-56, you can do the same for Bill C-43, and the leader knows it.

The questions we asked were legitimate questions. As a matter of fact, the question I asked the Minister of Finance could not be answered, because he did not have one. I asked how child care will be provided for rural Canadians. He admitted that they did not have an answer, and could not provide an answer.

Some Hon. Senators: Hear, hear!

Senator Stratton: Do not mislead this chamber by making that kind of a statement.

The next item — and I want the leader's rebuttal on this — is Bill C-22 and Bill C-23, which was to be before the Social Affairs Committee meeting scheduled for today. The meeting was cancelled on those two bills simply because there was a vote in the other place and the minister could not make it.

However, the agenda in each case, for Bill C-22 and Bill C-23, is that we hear from the minister and then we do clause-by-clause consideration of the bill. We then hear from the minister on Bill C-23, and then we do clause-by-clause on the bill. Wow! Is the leader saying that he was prepared to put those two bills through the process of hearing from the minister, clause-by-clause consideration and then presenting it this afternoon? Is he telling us that that is not hypocrisy? What is it, then?

Senator Kinsella: That is a different principle.

Senator Tkachuk: That is the third principle.

Senator Austin: Honourable senators, let us strip away all the verbiage and all the political claptrap here and take a look at the political reality of Canada today.

We have a minority government in the other place. We have very important legislation which, if defeated, will cause an election. The people of Canada do not want an election.

Senator Kinsella: How do you know that?

Senator Austin: If you do not know that the people of Canada do not want an election at this time then your party is about to make a huge political mistake.

Senator Stratton: In other words, you are telling Canadians what they need and do not need.

Senator Austin: Honourable senators, I read in the newspapers that Senator Kinsella opined that the reason Bill C-43 did not proceed in accordance with his generous offer of yesterday was that the government wanted the two bills to be associated together.

Senator LeBreton: You said it yourself two minutes ago.

Senator Austin: I want to make it clear that Senator Kinsella did not come to an inappropriate conclusion.

Senator LeBreton: That is nice to know.

Senator Kinsella: It is cynical.

Senator Austin: If the opposition party feels that it is in their interests to have an election, then it will seek to defeat the government on Bill C-48.

Senator Kinsella: That is right, and I encourage them to do so.

Senator Austin: If you want to be destructive of the public interest at a time when the public does not want an election, and asks your party not to precipitate an election; if you want to play into the hands of the Bloc and separatism in Quebec, then your course is set.

Senator Cochrane: That has nothing to do with the question.

Senator Austin: I said let us get rid of the claptrap. What this is all about is serving Canadian interests, serving the interests of the homeless, serving the interests of the Aboriginal community, serving the interests of the international community. That is what Bill C-48 is about, and this government wants that legislation. To be clear: This government wants Bill C-48.

• (1410)

Honourable senators, if this opposition party cannot understand the importance of Bill C-48, then we will have to do the things that make them understand it.

Some Hon. Senators: Hear, hear!

Senator Stratton: If I may address a remark to the Leader of the Government in the Senate in response to what he has just said: That is so paternalistic, it is unbelievable. Who does he think he is?

I would ask him to answer my questions. Why is the government making Newfoundlanders and Nova Scotians feel like second-class citizens by passing the Labrador Inuit bill just like that and not doing the same for Bill C-43?

Senator Austin: Senator Stratton is not speaking for the Premier of Newfoundland and Labrador. The Premier of Newfoundland and Labrador understands exactly the value of passing Bill C-48. When Senator Stratton can get up and quote the Premier of Labrador to a different effect than the position he is taking now, maybe that would register. However, until he does that, it is of no consequence.

Hon. Ethel Cochrane: Honourable senators, following the comments of my friend, I have a supplementary question for the Leader of the Government.

We gave Bill C-56 clause-by-clause consideration and then Royal Assent. The two bills today before the Social Affairs Committee — Bill C-22 and Bill C-23 — were to have received clause-by-clause consideration and then Royal Assent. Why could we not have followed the same procedure for Bill C-43? I would like an explanation, please.

Senator Austin: I am delighted to give an explanation, honourable senators. It is because Senator Cochrane and other Newfoundland senators wanted special treatment for Bill C-56 because the people affected, William Andersen and his people, were here. They were asking the Senate to proceed in a different way for them. There was no political division. There was no difference of vision. To accommodate Senator Cochrane and others from Newfoundland, we made an exception to our practice.

Some Hon. Senators: Hear, hear!

Senator Cochrane: That is exactly the point, honourable senators. I have asked the leader time and time again to have the Atlantic accord separated from Bill C-43. He has refused to do this. We want special treatment for this bill as well as Bill C-56. Why could we not have gotten it?

Senator Austin: Honourable senators, the Premier of Newfoundland and Labrador never asked for what Senator Cochrane is asking for. He was not so small-minded to think only of Newfoundland and Labrador. He knows what is in the budget for Canada in Bill C-43 and he knows what is in the budget for Canada in Bill C-48. Therefore, the position of separating the Atlantic accord out of the bill is simply a Conservative strategy to get rid of a problem politically, if that part of the bill were defeated, and then leave the rest of the country stranded.

Senator Cochrane: I must come back to that, honourable senators. I have to tell Senator Austin that I am not small-minded. I think of most of my people and the whole population in Newfoundland and Labrador. I do. I tell you that this is an important issue for my province and my people. The people of Newfoundland deserve more money. If it is there, why can we not get it? Why could we not have gotten it from this oil reserve?

Senator Austin: Honourable senators, the people of Newfoundland deserve the money that will be available to them in Bill C-48 as well. We are trying to give that money to Newfoundland as well.

Senator Cochrane: Why delay?

Senator Austin: Honourable senators, it has nothing to do with Newfoundland being deprived. Newfoundland will experience a great leap forward. It understands what the Government of Canada has put in Bill C-43 and Bill C-48. All you have to do on your side is pass Bill C-48 in the other chamber and Newfoundland will have its money.

**Senator Cochrane:** Honourable senators, I think I need an apology. I would like to raise a point of order. The senator did say that I am small-minded. I am not.

Senator Kinsella: He did not mean that.

Senator Austin: Honourable senators, I did not say that Senator Cochrane was small-minded. I said the people of Newfoundland are not small-minded. Take a look at the transcript.

Hon. David Tkachuk: Honourable senators, I would like to clarify something the leader said previous to his response to Senator Cochrane's question. I want to know whether the Premier of Newfoundland and Labrador, Mr. Williams, has agreed with the strategy of tying Bill C-43 and Bill C-48 together.

Senator Austin: Honourable senators, it is my understanding that the Premier of Newfoundland and Labrador is aware of the circumstance and is not making any representations that the government should change its course.

Senator Tkachuk: Has this circumstance been a discussion between the leadership of the Government of Canada and the leadership of the Government of Newfoundland and Labrador to tie Bill C-43 and Bill C-48 together, so that Mr. Williams knows exactly what is going on in the strategy of the Liberal Party?

Senator Austin: Honourable senators, the Premier of Newfoundland and Labrador is not a party to any agreement with respect to the way in which legislation is dealt with in this chamber. The Premier of Newfoundland and Labrador, as I have said repeatedly, is aware of the circumstance and is not making any separate representations.

Senator Tkachuk: Is the Leader of the Government saying that Mr. Williams, the Premier of Newfoundland and Labrador, supports Bill C-48 and therefore will agree to this particular version of these events where Bill C-48 has to pass before Bill C-43 is considered?

**Senator Austin:** I am saying, and I will repeat for the third time, that Premier Williams is aware of the current situation.

Senator Tkachuk: Honourable senators, that is not what the Leader of the Government said earlier. I will be looking forward to seeing the transcripts. I will give him another opportunity to clarify, but I do not think that is what he said before I started asking these questions.

### FISHERIES AND OCEANS

NEWFOUNDLAND AND LABRADOR—PROVINCIAL BILL INVOLVING TRANSFER OF FISH QUOTAS TO FISHERIES PRODUCTS INTERNATIONAL

Hon. Gerald J. Comeau: Honourable senators, my question is to the minister as well. The minister is no doubt aware, judging by his discussions with the Premier of Newfoundland and Labrador, that there is a Fisheries Products International bill currently being debated in the Newfoundland and Labrador legislature. I would like to refer to the June 9, 2004, debate whereby the Attorney General and the premier referred to FPI enterprise allocation quotas as property. In the legislation itself, in the case of a default, FPI would transfer the quotas to the Newfoundland and Labrador government, and the government could then lease back the quotas to FPI for a period of 10 years.

Given that the transfer of quotas to the provincial government requires federal undertakings, would the Leader of the Government in the Senate advise this house whether the federal Minister of Fisheries and the cabinet have agreed with these provisions of the FPI bill being debated in the Newfoundland and Labrador legislature at this time?

Hon. Jack Austin (Leader of the Government): Honourable senators, as this is the type of question for which notice should be given, and I have not received notice, I have no knowledge of the circumstances personally. I will have to take the question as notice.

Senator Comeau: Honourable senators, in this case, the honourable leader's response probably answers my question.

Under section 7(2) of the Fisheries Act, any lease agreements for fishing quotas or quota rights for a period beyond nine years must have cabinet approval. Given that the FPI bill in the Newfoundland legislature refers to a 10-year lease, one can assume that this matter has never been discussed at cabinet. It would appear as if the provisions of the FPI bill currently being debated in the Newfoundland and Labrador legislature have not been given cabinet approval. Would that be correct, given that the maximum provision for leases is nine years?

Senator Austin: Honourable senators, I have no knowledge whatsoever of the circumstances of which Senator Comeau is speaking. I would not encourage honourable senators to hypothesize as to what is taking place in cabinet.

Senator Comeau: Given the importance of the FPI bill in Newfoundland and Labrador and the impact it will have on that province, I would ask the minister to obtain, on an emergency basis, a response for me on this matter. It would be extremely important that no undertakings be given that are not applicable, if the minister has not given approval.

• (1420)

My final supplementary is with regard to the specific comment I made. In the legislature, the quotas were referred to as "property." Would the Leader of the Government in the Senate agree that the leases can be viewed by the Newfoundland government as property and, if not, would the minister get back to us and tell us what they are?

Senator Austin: Honourable senators, all I can do is refer the subject matter of the honourable senator's question to the Minister of Fisheries and Oceans and ask for as quick a reply as he is able to give.

### PUBLIC SAFETY AND EMERGENCY PREPAREDNESS

### ALBERTA—RESPONSE TO FLOODING

Hon. Consiglio Di Nino: Honourable senators, over the weekend, a heavy rainfall, described as the kind that occurs only once in 200 years, fell on Southern Alberta causing widespread flooding.

Can the Leader of the Government in the Senate provide the Senate with information on the federal government's response to this tragedy?

Hon. Jack Austin (Leader of the Government): Honourable senators, my attention was distracted by a note informing me that, in one of the rare events that takes place in politics, the advice I gave this chamber with respect to Bill C-43 was the lead question in the House of Commons. That puts us on their agenda.

I would ask the honourable senator to repeat his question.

Senator Di Nino: It would be my pleasure.

I was describing the tragedy that has now befallen Southern Alberta with widespread flooding of the kind that happens only once every couple of hundred years.

Can the minister provide the Senate with some information on the federal government's response to this tragedy?

Senator Austin: Honourable senators, I would be happy to do so. I am not aware that the Province of Alberta has made any particular request to the federal government under emergency legislation, but I will ask the Deputy Prime Minister for a statement that I will table in the chamber.

Senator Di Nino: Honourable senators, in the past, the federal government has always responded to national disasters such as the floods that are now striking Southern Alberta, including the city of Calgary. The recent NDP budget and last month's rush of spending announcements have left the government with virtually no room to manoeuvre.

Could the Leader of the Government in the Senate please confirm that there are sufficient funds left in the government's budget to provide Albertans with full and appropriate assistance?

Senator Austin: Honourable senators, I am happy to say that, should an application be made that comes within the provisions of federal legislation for the provision of assistance or compensation, there certainly will be adequate funds available from the Government of Canada to deal with the situation.

Senator Di Nino: As a further supplementary, would the government leader assure the Senate that disaster relief will take precedence over the spending outlined in Bill C-48?

Senator Austin: Honourable senators, the question is not relevant to the previous questions asked by Senator Di Nino because I have assured him that the Government of Canada has adequate fiscal capacity to deal with the flood issues in Alberta, if they qualify for federal assistance.

[Translation]

### AGRICULTURE AND AGRI-FOOD

### MONSANTO—STUDY ON GENETICALLY MODIFIED CORN—RIGHT OF PUBLIC TO BE INFORMED

Hon. Madeleine Plamondon: Honourable senators, today's papers are reporting that genetically modified corn, approved in Canada two years ago, could be harmful to human health. A study kept secret by Monsanto, owner of the seed, has just been made public by the German courts.

Can the Leader of the Government tell us whether GMO MON 863 is used here in Canada?

[English]

Hon. Jack Austin (Leader of the Government): Honourable senators, I have not heard such a report, but I will make inquiries of the Department of Agriculture.

[Translation]

**Senator Plamondon:** Could the leader tell us why in Canada we do not have access to Monsanto's secret study, a study that was handed over to the German courts? Europe has a policy on transparency and the right of the public to be informed.

I would like to know if we have such a transparency policy in Canada; if Canada's registration requirement is different than Europe's; and, if Health Canada has a precautionary principle, as is the case in environmental laws? According to this precautionary principle, should the government not be withdrawing the GMO in question, since it is a hazard to human and animal life?

[English]

Senator Austin: Honourable senators, I will make inquiries and seek to provide Senator Plamondon with an answer as soon as I receive the information.

[Translation]

### **DELAYED ANSWERS TO ORAL QUESTIONS**

Hon. Fernand Robichaud (Acting Deputy Leader of the Government): Honourable senators, I have the honour of presenting two delayed answers. The first is in response to an oral question raised by the Honourable Senator Comeau on June 16, 2005, concerning the disappearance of salmon species in the Upper Bay of Fundy; the second is in response to an oral

question raised by the Honourable Senator Stratton on June 9, 2005, concerning the chronic disease prevention initiative in Manitoba.

### FISHERIES AND OCEANS

### DISAPPEARANCE OF SALMON SPECIES IN UPPER BAY OF FUNDY

(Response to question raised by Hon. Gerald J. Comeau on June 16, 2005)

The DFO takes its responsibility for the conservation of all salmonids seriously, including those species that are especially distressed, such as the inner (or Upper) Bay of Fundy salmon.

Significant declines in inner Bay of Fundy (iBoF) salmon were first noted in the late 1980s. By 1991, for conservation reasons, the Department of Fisheries and Oceans (DFO) closed the recreational and Aboriginal food fisheries for salmon in 32 Inner Bay of Fundy rivers. Commercial salmon fisheries throughout the Maritimes Region were already closed since 1985. The precipitous decline continued with evidence suggesting the problem was related to marine survival, i.e. juvenile salmon would grow in fresh water, leave the rivers as smolt but not return as adults to spawn.

By 1998 the problem was so severe that DFO began a live gene bank program to protect the genetic integrity of several major components the (iBoF) salmon population and to hedge against extinction. Juvenile salmon were captured from several rivers, taken to DFO biodiversity centers in both Nova Scotia and New Brunswick where they were reared to adults and then spawned in those facilities. Juveniles produced from these spawnings were then released back to the rivers from which they were taken. Since 2000, several million salmon of various life stages have been restocked by DFO to (iBoF) rivers using this technique. Results from the live gene bank program show evidence of good freshwater survival for released fish but no evidence of increased survival at sea.

Rivers in the (iBoF) remain closed to salmon fishing. Salmon stocks in this area were assessed as "endangered" by the Committee on the Status of Endangered Wildlife in Canada in 2001. They are now listed as "endangered" under Canada's Species at Risk Act. The Atlantic Salmon Federation and DFO collaborated on a project to study possible marine mortality causes using radio tags to track smolt leaving the (iBoF) rivers in 2001/2002. No specific cause for poor marine survival has yet been identified. Significant investments in marine tracking, biodiversity facilities, and genetic pedigree and breeding programs have been made by DFO and, in some cases, the private sector. A Recovery Team is in place and a Recovery Strategy is now being finalized.

On the broader front of conservation of Atlantic salmon, Canada spends \$3.7 million annually on research programs that study factors contributing to marine salmon mortality. This is a significant contribution that is used to study a wide range of causative factors that could influence the health of all Atlantic salmon stocks, including (iBoF) stocks.

Moreover, since Atlantic salmon are wide-ranging, Canada does not stand alone in needing to understand this species. The North Atlantic Salmon Conservation Organization (NASCO) is responsible for Atlantic salmon management among all member states. While NASCO has been in place for some time, the collaborative aspect of Atlantic salmon science has just been improved through the creation, at NASCO's June 2005 meeting, of a new initiative called SALSEA (Salmon at Sea). This multilateral activity will integrate and intensify scientific research to find the unknown factors that affect marine survival of Atlantic salmon

At the domestic level, the federal government is investing \$30 million this year in an Atlantic Salmon Endowment Fund (ASEF) to help achieve healthy and sustainable Atlantic salmon stocks. The ASEF is similar to the fund created on the Pacific Coast in 2001. This fund is expected to enhanced co-operation between DFO and the many volunteer groups involved in maintaining, protecting and rebuilding salmon habitat, including that of the (iBoF) stocks.

Furthermore, DFO is in the process of developing a Wild Atlantic Salmon Policy. The Policy will provide a focused approach and support for initiatives to restore and sustainably manage diverse salmon populations and their habitat for future generations of Canadians. This will also help safeguard the genetic diversity of the species, maintain habitat quality and ecosystem integrity, and manage Aboriginal and recreational fisheries for sustainable benefits.

A draft policy is being developed over the summer of 2005, based on input from a diverse group of stakeholders from a first round of consultations. In late fall 2005, a second round of consultations is planned. The Policy is expected to be finalized and released to the public in spring 2006.

In summary, considerable attention is paid to the important issues of Atlantic salmon, including those in the (iBoF) area. A broadly-based approach such as this is required to maximize the opportunities available to ensure the continuance and recovery of this important species.

### HEALTH

MANITOBA—CHRONIC DISEASE PREVENTION INITIATIVE—FEDERAL CONTRIBUTION

(Response to question raised by Hon. Terry Stratton on June 9, 2005)

The government is taking action.

Health Canada officials and Public Health Agency of Canada officials have met several times with Manitoba on the Manitoba Chronic Disease Prevention Initiative (CDPI) and have taken part in Manitoba's dialogue with regional health authorities and stakeholder partners. The Minister of Health has discussed this matter with his Manitoba counterparts.

Federal Budget 2005 will provide \$300 million over 5 years for the Integrated Strategy on Healthy Living and Chronic Disease. This Strategy will promote health and prevent chronic disease by encouraging healthy eating and physical activity in Manitoba and across Canada. It also includes complementary disease-specific activities for cancer, cardiovascular disease and diabetes. These programs will benefit all Canadians.

On May 20, 2005 the Chief Public Health Officer of Canada sent a letter to his counterpart, the Deputy Minister of Health and Healthy Living for Manitoba that serves as an agreement-in-principle that, should resources, a suitable mechanism and authority be put in place, the Public Health Agency of Canada would commit to a multi-year investment of \$3 million over five years (2005-06 to 2009-10) for the demonstration project component of the CDPI.

Health Canada has been very supportive of the Chronic Disease Prevention Initiative (CDPI) being designated as a World Health Organization (WHO) Country-wide Integrated Non-communicable Disease Initiative (CINDI) demonstration site and will continue to do so.

[English]

Senator Murray: What about the judges?

### ORDERS OF THE DAY

### MARRIAGE (PROHIBITED DEGREES) ACT INTERPRETATION ACT

BILL TO AMEND—SECOND READING—ORDER STANDS

Hon. Marjory LeBreton: Your Honour, this is the fifteenth day, and this item is standing in the name of Senator Cools. She sent notice in a few moments ago that she is unable to speak to it today. That being the case, I would request that this bill have the clock rewound to allow her the opportunity to speak next week.

The Hon. the Speaker: Honourable senators, is it agreed that this matter return to day zero?

Hon. Senators: Agreed.

Order stands.

• (1430)

### EXCISE TAX ACT

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. Consiglio Di Nino moved second reading of Bill C-259, to amend the Excise Tax Act (elimination of excise tax on jewellery).—(Honourable Senator Di Nino)

He said: Honourable senators, I am pleased to rise to speak to Bill C-259, to amend the Excise Tax Act and eliminate excise tax on jewellery. This is a hidden tax of 10 per cent paid by manufacturers on the sale of jewellery manufactured in Canada, creating a competitive disadvantage for Canadian manufacturers. It was implemented in 1918 as part of a package of excises on items considered to be luxury goods. It is now the only remaining

luxury tax in Canada.

Canada is the only industrialized nation and the only diamondproducing nation in the world that has maintained such a tax. Today, this tax is nothing more than a Liberal cash grab that discriminates against the jewellery industry, the mining industry, the northern territories and Canadian consumers.

Honourable senators, this bill has been passed in the other place by a large majority and has the support of the jewellery industry, the mining industry, the Northwest Territories, Nunavut, Yukon and the Aboriginal communities. In the name of fairness, competitiveness and equity, it is time for this tax to go.

The most important reason to eliminate this tariff is that it is killing jobs and hurting the Canadian economy. This tax is applied to items manufactured in Canada but not to identical items manufactured in the U.S. and other countries. As a result, the Canadian jewellery industry is losing business to Americans. The jewellery industry also suffers because of smuggling and underground markets that exist to avoid paying the 10 per cent levy.

Canada's jewellery industry is comprised of over 5,000 companies, mostly small businesses. The industry generates \$1.2 billion a year and employs over 40,000 Canadians. This tax discriminates against Canadian-made products in favour of imports, encouraging Canadians to buy their jewellery abroad instead of supporting local companies.

The Martin government has promised to create jobs and boost the nation's economy. Honourable senators, eliminating this tax will do exactly that. The jewellery industry has high job creation potential. It creates 40 per cent more jobs per dollar than home electronics or auto parts. It has the potential to create cottage industry employment in rural and remote areas of Canada. Eliminating this tax will help the industry thrive, thus contributing to the government's goal of boosting the economy.

The mining industry of Canada also suffers because of this unfair tax. As a result of this tax, Canadian-mined diamonds cost more in Canada than they do anywhere else in the world. Canada is the third largest producer of diamonds in the world, exporting over \$1.5 billion of rough diamonds each year. Eliminating this tax will result in a larger Canadian market for these mines, as well as give much-needed support to the burgeoning cutting and polishing industry.

As the Canadian Jewellers Association pointed out in their report to the Standing Committee on Finance in the other place, it would be wiser to promote the value of job-creating industries

such as diamond cutting and jewellery manufacturing, than to have this tax, which is a policy that only encourages the export of raw materials.

The elimination of this tax was also a top priority for the National Diamond Strategy action plan representatives who stated that the removal of this tax "should allow the jewellery industry to be more competitive, offer a wider range of products to Canadian consumers and international markets, and create increased employment and wealth."

It makes more sense to eliminate this unfair tax and increase business activity, generating more revenue from GST and PST already applied to these products than continuing to impose a burdensome tax that penalizes a growing Canadian industry while yielding an average of \$70 million annually in government revenues, which would likely be more than offset by increased economic activity.

Along with discriminating against the Canadian jewellery and diamond industries, this outdated luxury tax also discriminates against Canada's northern regions. Paul Martin's Liberal government has promised to focus on the North and create strategies to provide economic stability in this region.

In the Speech from the Throne, the government promised to:

...develop, in cooperation with territorial partners, Aboriginal people and other northern residents, the first-ever comprehensive strategy for the North. This northern strategy will foster sustainable economic and human development; protect the northern environment and Canada's sovereignty and security; and promote cooperation with the national circumpolar community.

Honourable senators, if the government wishes to foster sustainable economic and human development, why does it still insist on imposing a tax that inhibits job creation and resource development in the northern regions, the opposite of what it has promised to do?

Canada's diamond industry in the Northwest Territories employs about 2,200 people, many of whom are Aboriginal. Diavik Diamond Mines, for instance, employs some 700 people, at least 40 per cent of whom are Aboriginal men and women. Fully two-thirds of its employees are from the northern regions.

This luxury tax negatively impacts federal initiatives with respect to improving the economic opportunities and the human well-being of the Aboriginal peoples of Canada's North. Conversely, the removal of this tax would encourage investment in the diamond and jewellery manufacturing industries and increase the job-creating potential for the northern regions and Aboriginal peoples.

The Premier of the Northwest Territories, Joe Handley, is a vocal opponent of this tax because of its negative impact on its jewellery manufacturing. He said:

...the way it happens now, someone from outside Canada pays 10 per cent and residents coming from outside Canada get a rebate on that, but a Canadian cannot buy jewellery in Canada without incurring the tax. Canadians can buy jewellery in the United States and not have to pay the excise tax.

One of our colleagues in the other place also made the point that the Prime Minister has speculated on granting province status to the Yukon, Northwest Territories and Nunavut, without much discussion on how these new provinces would achieve economic success. Revenue from their natural resources would be a critical component, and reaching the maximum potential in developing these resources and expanding the associated industries would create more jobs and would be pivotal to achieving economic and social success.

If the government is serious about its plans to develop the North, it can start by eliminating this discriminatory tax. Doing so would help to expand the associated industries and, as a result, provide a wealth of opportunity to the Aboriginal communities. In particular, it would enhance the prospects for the exceptionally gifted Aboriginal artists who would greatly benefit from an enlarged jewellery industry.

Last but certainly not least, honourable senators, you can add the average Canadian consumer, especially women, to this list of people who are negatively affected by this excessive cash grab by the Liberal government. When Canadians are buying jewellery, not only are they paying GST and PST on the retail price, they are also paying the hidden 10 per cent levy that is imposed on the manufacturers.

Although introduced as a luxury tax on jewellery along with items such as yachts, perfume, fur coats and expensive cars, this tax now only applies to jewellery, which itself is no longer considered a luxury item. About four million households buy women's jewellery and watches each year in Canada, and over two million buy men's jewellery and watches. Lower- and middle-income households account for over 50 per cent of jewellery and watch expenditures. This is no longer a tax on the rich to fund a war effort, but an unfair and pointless tax on ordinary Canadians. While Canadians can buy an \$80,000 car or a \$5,000 fur coat without being charged a luxury tax, they must pay 10 per cent on a \$3 ring bought at a corner store. Honourable colleagues, I do not think that is fair.

### **(1440)**

I have outlined for you, honourable senators, how this tax is affecting industries, small businesses and ordinary citizens of this country. Not only is this tax discriminatory but it is also a complicated tax to regulate, and does not even meet the requirements of what a tax should accomplish. The Auditor General has questioned this tariff, pointing out its failure to meet the qualities that are sought in a tax: equity, efficiency, ease of administration and transparency. The Finance Committee in the other place has twice called for the removal of this unfair tax.

The government has suggested a plan to phase out this tax over four years but Canadians deserve better. Therefore, I am asking you to help the Canadian jewellery industry, the Canadian mining

industry, Canada's North, including its Aboriginal people, and the consumers of Canada, and to support Bill C-259. They have all waited long enough. They have unfairly contributed to the public coffers for far too long.

On motion of Senator Eggleton, debate adjourned.

### STUDY ON OPERATION OF OFFICIAL LANGUAGES ACT AND RELEVANT REGULATIONS, DIRECTIVES AND REPORTS

INTERIM REPORT OF OFFICIAL LANGUAGES COMMITTEE—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Corbin, seconded by the Honourable Senator Poulin, that the sixth report of the Standing Senate Committee on Official Languages, entitled French-Language Education in a Minority Setting: A Continuum from Early Childhood to the Postsecondary Level, tabled in the Senate on June 14, 2005, be adopted and that, pursuant to rule 131(2), the Senate request a complete and detailed response from the government, with the Minister of Canadian Heritage, the Minister of Social Development, the Minister of Justice and the Minister responsible for Official Languages being identified as Ministers responsible for responding to the report.—(Honourable Senator Kinsella)

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I rise to participate in the debate on the excellent interim report of the Standing Senate Committee on Official Languages that our colleague Senator Corbin spoke to a short time ago. This report is entitled French-Language Education in a Minority Setting: A Continuum from Early Childhood to the Postsecondary Level. Honourable senators, if you have not yet had a chance to study this report, you will find it to be excellent, and I commend it to the attention of all honourable senators.

I must say at the outset that the members of the committee, the chair, Senator Corbin, and the deputy chair, Senator Buchanan, are to be congratulated for the work and the leadership that they provided in that study.

Senator Austin: Hear, hear!

Senator Kinsella: Clearly, honourable senators, we recognize that education is a key element in human development and has become virtually a prerequisite to success in today's world. It is noted in the report that education itself is a focal point for the transmission, maintenance and development of language, heritage and culture. It is for this reason that schools are a cornerstone in the maintenance and growth of minority language communities.

### [Translation]

Honourable senators, there are some good examples of this in my own province of New Brunswick. École Sainte-Anne in Fredericton, New Brunswick, serves a francophone population in a mostly anglophone area. The school's presence is a source of pride and hope for the French language and culture there.

Along with the École Sainte-Anne, there are services and facilities for the students and public alike, such as the Dr. Marguerite-Michaud library, a preschool sector — kindergarten, junior kindergarten and day care — a cafeteria, a playhouse and movie theatre, an art gallery, a gymnasium, conference rooms, administrative offices and a community radio. Over 200 children attend the Centre Sainte-Anne day care and they are a sign of what we can expect for our schools in the future.

This centre assures the survival, development and protection of the French language and culture in the region. There are other similar examples, in Saint John, New Brunswick, for instance, with its Centre Scolaire Samuel-de-Champlain.

### [English]

Honourable senators, during the course of its hearings and examination of the issues, our Standing Senate Committee on Official Languages heard from numerous witnesses and experts in the field of education, particularly in a francophone milieu, who brought to the attention of the committee important issues, concerns and, indeed, some complaints.

Section 23 of our Charter of Rights and Freedoms makes it perfectly clear that children of both francophones and anglophones have an equal right to an education in their first language. Consonant with that requirement of the Charter, obviously there has to be a parallel requirement that they are entitled to receive the same quality of instruction. The report of our committee suggests that this is apparently far from being the case. The presence of significant discrepancies between the education systems available for the anglophone linguistic majority as compared to that available to the French language minority led to Recommendation No. 4, which is as follows:

That all levels of government coordinate their policies to guarantee that francophone communities in a minority setting have sufficient human, material, physical and financial resources, in order to recruit and retain students and achieve a quality of education that is equivalent to that of the linguistic majority.

This recommendation, honourable senators, also reflects a study done by the Council of Ministers of Education of Canada. That is a council that is made up of all of the Ministers of Education from all the provinces and territories. Quoting from that study done for the Council of Ministers of Education, they have concluded that:

In reading and science, students performed at lower levels in the francophone school systems outside Quebec than in the anglophone systems.

### [Translation]

According to the various contributors to the study, francophones living in a minority community lack the tools and instruments that would allow them to obtain an education equal in quality to that of the linguistic majority. There is an apparent shortage of human, material, physical, financial and educational resources in French-language schools.

[English]

The report goes on to state that:

The challenge confronting minority-language school boards is twofold: enrolment must be increased while the quality of the instruction programs offered must be improved.

By addressing the shortages, we are on track to kill the proverbial two birds with one stone. First, if the quality of instructional programs is improved, enrolment will likely increase. Parents who view a system as being inferior are otherwise apt to send their children to schools with better programs, notwithstanding their linguistic preference. By offering equal educational programs in French language schools, francophone students are less likely to be diverted to the anglophone majority school system. Second, if enrolment increases, there is likely to be a corresponding improvement in the resources available, and hence in the quality of the programs.

A larger and more prominent commitment by the federal government, honourable senators, would go a long way to getting the two education systems on a parallel track.

In this context, it is disturbing to note that the Official Languages Education Program seems to be in a state of limbo. Honourable senators will recall that this program enables the federal government to transfer funds to provincial and territorial governments in order to support the delivery of minority-language education and second-language instruction programs. The previous protocols expired on March 31, 2003. As is pointed out in the report, although an agreement is principle was signed on April 12, 2005, the protocol itself has not been signed.

Honourable senators, it seems to me that this is a matter of some seriousness. Funding of the Official Languages Support Programs, and more particularly of the minority-language education component, remains a critical element in maintaining the viability of the system.

• (1450)

The current government's actions, in my opinion, have failed to follow in the footsteps of the expressed intentions. For example, in March 2003, the Action Plan for Official Languages was tabled by the Honourable Stéphane Dion, then the Minister responsible for La Francophonie. It was even called the Dion Plan, and it nominally provided for \$751 million in spending over five years. The reality has proven to be quite different.

In her 2004-05 annual report, the Commissioner of Official Languages expressed concerns about the implementation of this action plan. With regard to minority language education and second language teaching, she said:

Notwithstanding this last-minute agreement, it is of concern to us that the funds destined for the Action Plan have not been put to use more quickly. This delay means that the objectives of the Action Plan may not be met. We had hoped that the federal government would pick up the pace; instead, its slowness to act threatens to demobilize all the actors who are responsible for progress in this area.

Honourable senators, at present, the Department of Canadian Heritage, in my opinion — indeed as a former deputy minister over there — seems to be incapable of reporting on the progress made in implementing this initiative.

Since 1993, the money provided by the government to the Official Languages Support Programs has declined significantly, dropping another \$38 million in just the last two years. While the government was boasting about the size of the surplus, here we have a drop in the support for official languages by some \$38 million.

Even today, honourable senators, many programs are well below the funding levels of the early 1990s. Looking back to the fiscal year ending in March of 1993, the level of funding provided by the former government for programs supporting official language communities was \$314.9 million. Compare that to \$264.5 million for the fiscal year ending March 2004 under the current federal government. The drop of \$50 million does not even take into account such things as the rate of inflation and the rise in the cost of living over more than a decade. The numbers are there to be seen. There has been a significant reduction in the spending in this area by the federal government.

One component of the Official Languages Support Programs, namely the funding for the minority language education program, has borne the brunt of the reduction in support. For the fiscal year ending March 1993, minority language education program funding amounted to \$162.9 million as compared with \$132.5 million for the fiscal year ending March 2004. That is an extraordinary reduction of spending, a gross reduction of \$30 million. Again, that does not even take into consideration a 10-year period with inflation. Since 1993, this federal government has a record of cutting back dramatically on the minority language education program, something that I think will come as a surprise to many people, including honourable members in this house.

In August 1999, the former Prime Minister told *Le Devoir* that the assimilation of francophones was "a fact of life." This comment was made a short time before the francophone summit opened in Moncton, and the former Prime Minister revealed his own and presumably his party's fatalistic assessment of the assimilation process that threatens French language minorities. The former Prime Minister did not hesitate to refer to this phenomenon as "inevitable." He went on to say:

There's the whole issue of use, mixed marriages, labourforce mobility, isolation. There are people leaving the language behind and at the same time there are people learning it. There are losses and gains. Certainly we would rather there not be any assimilation, but there always has been.

As examples, the former Prime Minister evoked the experiences of Quebecers who settled in New England and francophones in Louisiana.

In contrast, we can look at the actions taken by other leaders where it was deemed to be in the public interest to reinforce the Official Languages Act, as occurred in 1988. There was increased funding for the Official Languages Education Program and the Promotion of Official Languages Program by some

\$195 million. There was almost \$1 billion invested to that end through 10-year agreements with the provinces to promote French language education and French language instruction in every Canadian province.

Even as late as May 1993, the former government granted the provinces an additional \$112 million to ensure the implementation of school governance by members of the francophone community and guarantee the consolidation of the minority French language post-secondary education network.

Finally, there was the institution of the Canada-Community Agreements in order to promote the cultural and community development of francophones living outside of Quebec.

Additional funding, honourable senators, from the federal government is required. It is required to ensure the vitality and special development needs of the francophone communities in a minority setting.

Education is underscored by this report. It must be considered as the cornerstone of community development, starting from early childhood and going up to the post-secondary level. Ensuring continuity for minority language children who have the right to a continuous education clearly is critical. They must not be forced into majority language institutions.

In conclusion, French Language Education in a Minority Setting: A Continuum from Early Childhood to the Postsecondary Level is an excellent report with eight recommendations which merit consideration and implementation. There is clearly an urgent need for action to foster the social and cultural development of the francophone minority in Canada.

The federal government must put in place a clear and more comprehensive national policy on French language minority education in Canada. We need to strengthen government obligations for minority language education. We need to ensure that the obligations to the francophone minority as embodied in Part VII of the Official Languages Act, and the Charter and the constitutional principle of the protection of minorities are fully met by all levels of government.

The implementation of the recommendations in this report will help ensure that the quality of education available to minority language groups in Canada is equal to that available to the majority. I congratulate our colleagues on the Official Languages Committee.

Hon. Serge Joyal: Would the Honourable Leader of the Opposition entertain a question?

Senator Kinsella: Yes.

Senator Joyal: I listened carefully to my honourable friend's speech and to the speech of Senator Buchanan. I would like to commend the accuracy and appropriateness of his speech. As well, I wish to commend the co-chair of the committee, Senator Corbin. I know Senator Keon has been vice-chair in the past, and he also did a very good job in chairing the committee.

When I was listening to the honourable senator, I remembered Bill S-3, which we adopted earlier in the session, the bill that Senator Gauthier introduced in this chamber. Bill S-3 contained a proposal to amend section 41 of the Official Languages Act that would have given substance, if not bones or a spine, to the obligation of the federal government to support minority rights in very concrete ways and not with a statement of objectives with no real obligation enforceable in Parliament or in court.

I was happy that Bill S-3 was approved in this chamber. If I recall correctly, it was a unanimous vote and it was sent to the other place. I tried to keep track of what was going on in the other chamber with this bill. It has been sitting there for many months.

If we want the recommendations of this report to be implemented, I think we need Bill S-3. We must ensure that the government moves forward with its obligation to support post-secondary education and other services well-described in the report.

### • (1500)

Would the honourable member use his influence, generally speaking, on the members of his party in the other place so that the bill can be adopted soon? This report would then be one of the first obligations the federal government would have to undertake under that new section of the Official Languages Act. That would ensure that the eighth recommendation of this report becomes a reality.

Senator Kinsella: Honourable senators, having also been an enthusiastic supporter of Senator Gauthier's bill when it was before the chamber, unlike my honourable colleague, I have not been as attentive to the progress of the bill in the other place. I have a hard enough time following the progress of bills in this place, but I am glad he has brought this to my attention. Now that he has reminded me, I will undertake to follow the progress of that bill.

I do not recall discussions about that item at the national caucus level, but I know many colleagues in the other place are very supportive of it. As the honourable senator knows, because he served for a period of time as the minister in the department that was responsible for second language promotion, there was a very robust budget. Indeed, I would go so far as to say that had it not been for the work of Senator Joyal and his predecessors and successors as ministers in what was then called the Department of the Secretary of State in promoting second language education and the official languages communities, we would not have made the tremendous progress we have made so far.

Looking at the situation in terms of the federal government's commitment as expressed in real dollars, there has been a major cut in funding for second language teaching and community promotion, et cetera. The numbers are significant. I thank the honourable senator for the opportunity to underscore that part of my intervention today.

We need to restore funding to the levels of the early 1990s, and also some infrastructure landscape mechanisms such as the one conceptualized by former Senator Gauthier. Indeed, there may be others. In the year 2005, we need an impetus from Parliament to ensure that we have a balanced system across the two official language communities.

On motion of Senator Robichaud, for Senator Murray, debate adjourned.

### COMMISSION OF INQUIRY ON THE SPONSORSHIP PROGRAM

### MOTION—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Nolin, seconded by the Honourable Senator LeBreton:

That the Senate of Canada hereby calls upon the government to maintain the Commission of Inquiry into the Sponsorship Program and Advertising Activities for as long as necessary to establish the facts and discern the truth, and the Senate of Canada further urges the government to defend the Commission rigorously and reject attempts to impugn the integrity of the Commissioner, Mr. Justice John Howard Gomery.—(Honourable Senator Stratton)

Hon. Marjory LeBreton: Honourable senators, this motion has reached day 15. It is in the name of Senator Stratton, who was here earlier but had to leave due to a commitment. He would ask that the clock be rewound, and he intends to speak to this matter very shortly.

The Hon. the Speaker: Honourable senators, is it agreed that this matter return to day zero and continue to stand?

Hon. Senators: Agreed.

Order stands.

[Translation]

### **BUSINESS OF THE SENATE**

Hon. Fernand Robichaud (Acting Deputy Leader of the Government): Honourable senators, before turning to Government Notices of Motions or the adjournment motion, I move that the Senate adjourn during pleasure and resume sitting at about 4:45 p.m., at the call of the Chair, preceded by a five-minute bell.

There will be Royal Assent this afternoon, and we will be called to receive letters from Rideau Hall. For this reason, I move adjournment during pleasure.

[English]

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, we have gone through the Order Paper. Typically, what occurs when there is nothing else ordered is that there would be a motion to adjourn.

However, I understand that Royal Assent dealing with Bill C-56 by the alternative format is to occur at four o'clock. From earlier discussions today, we have indicated that the opposition was hopeful that Bill C-43 would also have been on the list for Royal Assent.

Having completed the work of the day, the next item is the adjournment. The question I am left to ask is: Why would we wait to come back? I understand why. Under the process, after the Governor General gives Royal Assent to a bill, that does not take effect until it is read here in the Senate.

In effect, the opposition is being asked to agree to suspend the sitting, even though we have completed the Order Paper, in order to get this message back. Because it is for the Inuit, the people of Newfoundland and Labrador and the people of Canada, the opposition will agree. However, we would have hoped that the government might have agreed to extend the same consideration to the peoples of Nova Scotia and Newfoundland vis-à-vis the Atlantic accord.

Senator Comeau: They are being treated like second-class citizens.

Senator Cochrane: Hear, hear!

Senator Comeau: Let it be known.

The Hon. the Speaker: I have listened to the Acting Deputy Leader of the Government and the Leader of the Opposition. I would ask honourable senators if they are agreed to suspend the sitting until 4:45 p.m., with the bells to ring at 4:40 p.m., calling in the senators to proceed with the rest of our business at that time. The reason is obvious. We are awaiting letters from the Governor General or her designated representative to give Royal Assent by reading those letters in the chamber.

Is it agreed, honourable senators?

Hon. Senators: Agreed.

The Hon. the Speaker: It says approximately 4:45 p.m. Thus, the bells will ring for five minutes before we return.

Is it in order that I leave the chair until that point?

Hon. Senators: Agreed.

The Senate adjourned during pleasure.

• (1650)

[Translation]

The sitting of the Senate was resumed.

### ROYAL ASSENT

The Hon. the Speaker informed the Senate that the following communication had been received:

RIDEAU HALL

June 23, 2005

Mr. Speaker,

I have the honour to inform you that the Right Honourable Adrienne Clarkson, Governor General of Canada, signified royal assent by written declaration to the bills listed in the Schedule to this letter on the 23rd day of June, 2005, at 4:10 p.m.

Yours sincerely,

Curtis Barlow Deputy Secretary Policy, Program and Protocol

The Honourable
The Speaker of the Senate
Ottawa

Bills Assented to Thursday, June 23, 2005:

An Act to establish the Economic Development Agency of Canada for the Regions of Quebec (Bill C-9, Chapter 26, 2005)

An Act to give effect to the Labrador Inuit Land Claims Agreement and the Labrador Inuit Tax Treatment Agreement (Bill C-56, Chapter 27, 2005)

An Act for granting to Her Majesty certain sums of money for the federal public administration for the financial year ending March 31, 2006 (Bill C-58, Chapter 28, 2005)

An Act to amend the Canada Shipping Act, the Canada Shipping Act, 2001, the Canadian National Marine Conservation Areas Act and the Oceans Act (*Bill C-3*, Chapter 29, 2005)

• (1700)

### **ADJOURNMENT**

Leave having been given to revert to Government Notices of Motions:

Hon. Fernand Robichaud (Acting Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That when the Senate adjourns today, it do stand adjourned until Tuesday, June 28, 2005, at 2 p.m.

The Hon. the Speaker: Honourable senators, is leave granted?

Hon. Senators: Agreed.

Motion agreed to.

The Senate adjourned until Tuesday, June 28, 2005, at 2 p.m.

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# THE SENATE OF CANADA PROGRESS OF LEGISLATION

(indicates the status of a bill by showing the date on which each stage has been completed)

## (1st Session, 38th Parliament)

## Thursday, June 23, 2005

(\*Where royal assent is signified by written declaration, the Act is deemed to be assented to on the day on which the two Houses of Parliament have been notified of the declaration.)

### GOVERNMENT BILLS

	Chap.	25/04	8/05								
	R.A.	04/12/15	05/03/23*				200			10 m	
	3rd	04/12/02	04/12/08	05/04/20	05/06/21		05/06/20				
	Amend	0 observations	0	0	0		0		m		
	Report	04/11/25	04/11/25	05/03/07	05/06/16		05/06/16		05/06/23		
(SENAIE)	Committee	Legal and Constitutional Affairs	Banking, Trade and Commerce	Social Affairs, Science and Technology	Transport and Communications		Energy, the Environment and Natural Resources	Foreign Affairs	Agriculture and Forestry	Legal and Constitutional Affairs	
	2 <sup>nd</sup>	04/10/26	04/11/17	05/02/02	05/06/07	Bill withdrawn pursuant to Speaker's Ruling 05/06/14	60/90/50	05/06/15	05/06/15	05/06/15	
	181	04/10/19	04/10/28	04/11/02	05/05/12	05/05/16	05/05/19	05/05/19	05/05/31	05/06/07	60/90/90
	Title	A second Act to harmonize federal law with the civil law of the Province of Quebec and to amend certain Acts in order to ensure that each language version takes into account the common law and the civil law	An Act to implement an agreement, conventions and protocols concluded between Canada and Gabon, Ireland, Armenia, Oman and Azerbaijan for the avoidance of double taxation and the prevention of fiscal evasion	An Act to amend the Statistics Act	An Act to authorize the construction and maintenance of a bridge over the St. Lawrence River and a bridge over the Beauharnois Canal for the purpose of completing Highway 30	An Act to amend the Aeronautics Act and to make consequential amendments to other Acts	An Act to amend the Export and Import of Rough Diamonds Act	An Act to amend the Criminal Code and the Cultural Property Export and Import Act	An Act respecting the implementation of international trade commitments by Canada regarding spirit drinks of foreign countries	An Act to amend the National Defence Act, the Criminal Code, the Sex Offender Information Registration Act and the Criminal Records Act	An Act to amend the Hazardous Materials Information Review Act
	No.	S-10	S-17	S-18	S-31	8-33	S-36	S-37	S-38	S-39	S-40

GOVERNMENT BILLS (HOUSE OF COMMONS)

			(HODE)	(HOUSE OF COMMONS)					
	Title	1st	2 <sup>nd</sup>	Committee	Report	Amend	200	Y. A.	chap.
	An Act to amend the Criminal Code (protection of children and other vulnerable code) and the Canada Evidence Act	05/06/14	05/06/20	Legal and Constitutional Affairs					
1	An Act to amend the Canada Shipping Act, the Canada Shipping Act, 2001, the Canada National Marine Conservation Areas Act and	05/03/21	05/04/14	Transport and Communications	60/90/50	0 observations	05/06/22	05/06/23*	29/05
	An Act to implement the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment	04/11/16	04/12/09	Transport and Communications	05/02/15	0	05/02/22	05/02/24*	3/05
	An Act to provide financial assistance for post-secondary education savings	04/12/07	04/12/08	Banking, Trade and Commerce	04/12/09	0 observations	04/12/13	04/12/15	26/04
	An Act to establish the Department of Public Safety and Emergency Preparedness and to amend or repeal certain Acts	04/11/18	04/12/07	National Security and Defence	05/02/22	0	05/03/21	05/03/23	10/05
	An Act to amend the Department of Canadian Heritage Act and the Parks Canada Agency Act and to make related amendments to other Acts	04/11/30	04/12/09	Energy, the Environment and Natural Resources	05/02/10	0	05/02/16	05/02/24*	2/03
1	An Act to amend the Financial Administration Act, the Canada School of Public Service Act and the Official Languages Act	05/03/07	05/03/21	National Finance	05/04/14	0	05/04/19	05/04/21	20/61
	An Act to establish the Economic Development Agency of Canada for the Regions of Quebec	05/06/02	05/06/08	National Finance	05/06/16	0	05/06/21	03/00/23	20/07
	An Act to amend the Criminal Code (mental disorder) and to make consequential amendments to other Acts	05/02/08	05/02/22	Legal and Constitutional Affairs	05/05/12	0 observations	05/05/16	05/05/19*	22/05
C-12	An Act to prevent the introduction and spread of communicable diseases	05/02/10	60/60/50	Social Affairs, Science and Technology	05/04/12	2	05/04/14	05/05/13*	20/05
C-13	An Act to amend the Criminal Code, the DNA Identification Act and the National Defence Act	05/05/12	05/05/16	Legal and Constitutional Affairs	05/05/18	0	05/05/19	05/05/19*	25/05
Q-14	An Act to give effect to a land claims and self-government agreement among the Tilcho, the Government of the Northwest Territories and the Government of Canada, to make related amendments to the Mackenzie Valley Resource Management Act and to make consequential amendments to other Acts	04/12/07	04/12/13	Aboriginal Peoples	05/02/10	0	05/02/10	05/02/15*	1/05
C-15	1	04/12/14	05/02/02	Energy, the Environment and Natural Resources	05/05/17	observations	05/05/18	05/05/19*	23/05

	- 44	48f	puc	Committee	Report	Amend	3rd	R.A.	Chap.
C-18	An Act to amend the Telefilm Canada Act	04/12/13	05/02/23	Transport and Communications	05/03/22	0 observations	05/03/23	05/03/23*	14/05
C-20	An Act to provide for real property taxation powers of first nations, to create a First Nations Tax Commission, First Nations Financial Management Board, First Nations Finance Authority and First Nations Statistical Institute and to make consequential amendments to other Acts	04/12/13	05/02/16	Aboriginal Peoples	05/03/10	0	05/03/21	05/03/23*	9/05
C-22	An Act to establish the Department of Social Development and to amend and repeal certain related Acts	02/06/09	05/06/21	Social Affairs, Science and Technology					
C-23	An Act to establish the Department of Human Resources and Skills Development and to amend and repeal certain related Acts	05/06/02	05/06/14	Social Affairs, Science and Technology			in o	,	
C-24	An Act to amend the Federal-Provincial Fiscal Arrangements Act and to make consequential amendments to other Acts (fiscal equalization payments to the provinces and funding to the territories)	05/02/16	05/02/22	National Finance	05/03/08	0	05/03/09	05/03/10*	7/05
C-26	An Act to establish the Canada Border Services Agency	05/06/14							
C-29	An Act to amend the Patent Act	05/02/15	05/03/07	Banking, Trade and Commerce	05/04/12	2	05/04/14	05/05/05*	18/05
C-30	An Act to amend the Parliament of Canada Act and the Salaries Act and to make consequential amendments to other Acts	05/04/13	05/04/14	National Finance	05/04/21	0	05/04/21	05/04/21*	16/05
C-33	A second Act to implement certain provisions of the budget tabled in Parliament on March 23, 2004	05/03/07	05/04/20	National Finance	05/05/03	0	05/05/10	05/05/13*	19/05
C-34	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 2, 2004-2005)	04/12/13	04/12/14	I			04/12/15	04/12/15	27/04
C-35	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 3, 2004-2005)	04/12/13	04/12/14	1	1		04/12/15	04/12/15	28/04
C-36	An Act to change the boundaries of the Acadie—Bathurst and Miramichi electoral districts	04/12/13	05/02/01	Legal and Constitutional Affairs	05/02/22	0 observations	05/02/23	05/02/24*	90/9
C-39	An Act to amend the Federal-Provincial Fiscal Arrangements Act and to enact An Act respecting the provision of funding for diagnostic and medical equipment	05/02/22	05/03/08	Social Affairs, Science and Technology	05/03/10	0	05/03/22	05/03/23*	11/05
C-40	An Act to amend the Canada Grain Act and the Canada Transportation Act	05/05/12	05/05/16	Agriculture and Forestry	05/05/18	0	05/05/19	05/05/19*	24/05

1	05/03/23*	05/03/23 05/03/23* 13/05		05/05/13*		05/06/22 05/06/23		3 <sup>rd</sup> R.A. Chap.			05/02/22 05/02/24*		R.A.	04/11/02 05/05/05* 17/05	04/10/26	
Amend					0	1		Amend		0 observations	0 observations		Amend	0	0	
Кероп				05/05/12	05/06/21	1		Report		05/02/17	05/02/17		Report	04/10/28	04/10/21	
Committee		1	National Finance	National Finance	Aboriginal Peoples	I	COMMONS PUBLIC BILLS	Committee		Legal and Constitutional Affairs	Legal and Constitutional Affairs	SENATE PUBLIC BILLS	Committee	Social Affairs, Science and Technology	Official Languages	
2nd	05/03/23	05/03/23	05/06/21	05/05/10	05/06/20	05/06/21	COMMC	2 <sup>nd</sup>		04/12/07	04/12/07	SENA	2nd	04/10/20	04/10/07	Dropped from Order Paper pursuant to Rule 27(3)
181	05/03/22	05/03/22	05/06/16	05/05/10	05/06/16	05/06/15		18t	05/06/16	04/12/02	04/12/02		18t	04/10/06	04/10/06	04/10/06
Title	ter Majesty certain public service of cial year ending priation Act No. 4,	granting to Her Majesty certain money for the public service of for the financial year ending 2006 (Appropriation Act No. 1,	mplement certain provisions of the led in Parliament on February 23,		An Act to give effect to the Labrador Inuit Land Claims Agreement and the Labrador Inuit Tax Treatment Agreement	esty certain eral public year ending Act No. 2,		Title	An Act to amend the Excise Tax Act (elimination of excise tax on jewellery)	An Act to change the name of the electoral district of Kitchener—Wilmot—Wellesley—	An Act to change the name of the electoral district of Battle River		Title	An Act to amend the Citizenship Act (Sen. Kinsella)	An Act to amend the Official Languages Act (promotion of English and French) (Sen. Gauthier)	An Act to amend the Marriage (Prohibited Degrees) Act and the Interpretation Act in order to affirm the meaning of marriage (Sen. Cools)
ON CO	C-41	C-42	C-43	C-45	C-56	C-58		No.	C-259	C-302	C-304		N	S-2	, c.	8.4

		48t	puc	Committoo	Donort	Amend	3rd	RA	Chap.
No.	Title		7	Columntee	Nepole				
က်	An Act to repeal legislation that has not come into force within ten years of receiving royal assent (Sen. Banks)	04/10/07	04/10/26	Transport and Communications (withdrawn) 04/10/28 Legal and Constitutional Affairs					
9-8	An Act to amend the Canada Transportation Act (running rights for carriage of grain) (Sen. Banks)	04/10/07							
S-7	An Act to amend the Supreme Court Act (references by Governor in Council) (Sen. Cools)	04/10/07	Dropped from Order Paper pursuant to Rule 27(3) 05/02/22	7					
80,00	An Act to amend the Judges Act (Sen. Cools)	04/10/07	Dropped from Order Paper pursuant to Rule 27(3) 05/06/16						
6-S	An Act to amend the Copyright Act (Sen. Day)	04/10/07	04/10/20	Social Affairs, Science and Technology					
S-11	An Act to amend the Criminal Code (lottery schemes) (Sen. Lapointe)	04/10/19	04/10/26	Legal and Constitutional Affairs	05/04/12	2 observations	05/05/17		
S-12	An Act concerning personal watercraft in navigable waters (Sen. Spivak)	04/10/19	05/06/01	Energy, the Environment and Natural Resources					
S-13	An Act to amend the Constitution Act, 1867 and the Parliament of Canada Act (Speakership of the Senate) (Sen. Oliver)	04/10/19	04/11/17	Legal and Constitutional Affairs					
S-14	An Act to protect heritage lighthouses (Sen. Forrestall)	04/10/20	04/11/02	Social Affairs, Science and Technology	05/03/21	0	05/03/23		
S-15	An Act to prevent unsolicited messages on the Internet (Sen. Oliver)	04/10/20		Subject-matter 05/02/10 Transport and Communications					
S-16	An Act providing for the Crown's recognition of self-governing First Nations of Canada (Sen. St. Germain, P.C.)	04/10/27		Subject-matter 05/02/22 Aboriginal Peoples					
S-19	An Act to amend the Criminal Code (criminal interest rate) (Sen. Plamondon)	04/11/04	04/12/07	Banking, Trade and Commerce	05/06/23	-			
S-20	An Act to provide for increased transparency and objectivity in the selection of suitable individuals to be named to certain high public positions (Sen. Stratton)	04/11/30		Subject-matter 05/02/02 Legal and Constitutional Affairs	9				
S-21	An Act to amend the criminal Code (protection of children) (Sen. Hervieux-Payette, P.C.)	04/12/02	05/03/10	Legal and Constitutional Affairs			1	!	
S-22	An Act to amend the Canada Elections Act (mandatory voting) (Sen. Harb)	04/12/09					5	1	i :

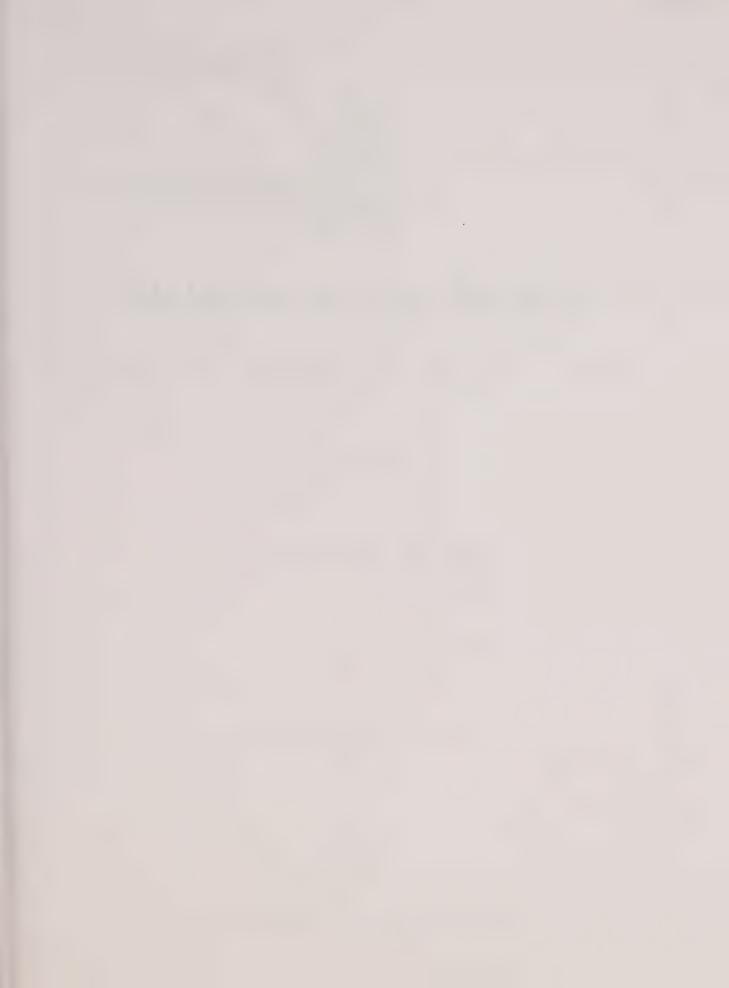
		184	puc	Committee	Report	Amend	3.0	R.A.	Chap.
No.	Title	1	7						
S-23	An Act to amend the Royal Canadian Mounted Police Act (modernization of employment and labour relations) (Sen. Nolin)	05/02/01							
S-24	An Act to amend the Criminal Code (cruelty to animals) (Sen. Bryden)	05/02/03	05/03/10	Legal and Constitutional Affairs					
S-26	An Act to provide for a national cancer strategy (Sen. Forrestall)	05/02/16	05/06/01	Social Affairs, Science and Technology					
S-28	An Act to amend the Bankruptcy and Insolvency Act (student loan) (Sen. Moore)	05/03/23	05/06/01	Banking, Trade and Commerce					
S-29	An Act respecting a National Blood Donor Week (Sen. Mercer)	90/90/90	05/06/01	Social Affairs, Science and Technology					1
S-30	An Act to amend the Bankruptcy and Insolvency Act (RRSP and RESP) (Sen. Biron)	05/05/10							
S-32	An Act to amend the Marriage (Prohibited Degrees) Act and the Interpretation Act in order to affirm the meaning of marriage (Sen. Cools)	05/05/12							
S-34	An Act to amend the Department of Justice Act and the Supreme Court Act to remove certain doubts with respect to the constitutional role of the Attorney General of Canada and to clarify the constitutional relationship between the Attorney General of Canada and Parliament (Sen. Cools)	05/05/16							
S-35	An Act to amend the State Immunity Act and the Criminal Code (terrorist activity) (Sen. Tkachuk)	05/05/18							
S-41	An Act to amend the Department of Foreign Affairs and International Trade Act (human rights reports) (Sen. Kinsella)	05/06/21							
				PRIVATE BILLS					
NO	Title	1st	2nd	Committee	Report	Amend	3rd	R.A.	Chap.
S-25	An Act to amend the Act of incorporation of The General Synod of the Anglican Church of Canada (Sen. Rompkey, P.C.)	05/02/10	05/03/23	Banking, Trade and Commerce	90/90/90	observations	05/05/10	05/05/19*	
S-27	An Act respecting Scouts Canada (Sen. Di Nino)	05/02/17	05/04/19	Legal and Constitutional Affairs					

# CONTENTS

# Thursday, June 23, 2005

PAGE	PAGE
ENATORS' STATEMENTS	Agriculture and Agri-food
ENATORS STATEMENTS	Monsanto—Study on Genetically Modified Corn— Right of Public to be Informed.
ir India Tragedy	Hon. Madeleine Plamondon
wentieth Anniversary.	Hon. Jack Austin
Ion. Jack Austin	Hom suck reasons
Ion. Noël A. Kinsella       1579         Ion. Terry M. Mercer       1580	Delayed Answers to Oral Questions
isitors in the Gallery	Hon. Fernand Robichaud
he Hon, the Speaker	Fisheries and Oceans
110000	Disappearance of Salmon Species in Upper Bay of Fundy.
he Honourable Isobel Finnerty	Question by Senator Comeau.
ribute on Retirement.	Hon. Fernand Robichaud (Delayed Answer)
Ion. Ethel Cochrane	(=, · · · · · · · · · · · · · · · · ·
<b>Tealth</b>	Health
Iniversal Public System	Manitoba—Chronic Disease Prevention Initiative—
Ion. Marilyn Trenholme Counsell	Federal Contribution.
	Question by Senator Stratton.
	Hon. Fernand Robichaud (Delayed Answer)
ACTIVITY DROCKEDBICG	
ROUTINE PROCEEDINGS	
	ORDERS OF THE DAY
Democratic Reform	ORDERS OF THE DAT
First Annual Report Tabled.	
Ion. Fernand Robichaud	Marriage (Prohibited Degrees) Act
	Interpretation Act (Bill S-4)
Criminal Code (Bill S-19)	Bill to Amend—Second Reading—Order Stands.
Bill to Amend—Report of Committee.	Hon. Marjory LeBreton
Hon. Jerahmiel S. Grafstein	Holl. Waljory Lebreton
Spirit Drinks Trade Bill (Bill S-38)	Excise Tax Act (Bill C-259)
Second Reading—Report of Committee.	Bill to Amend—Second Reading—Debate Adjourned.
Hon. Joyce Fairbairn	Hon. Consiglio Di Nino
	Tion. Consigno Di Timo I I I I I I I I I I I I I I I I I I I
	Study on Operation of Official Languages Act
QUESTION PERIOD	and Relevant Regulations, Directives and Reports
QUESTION FERIOD	Interim Report of Official Languages Committee—
	Debate Continued.
Finance	Hon. Noël A. Kinsella
Budget 2005—Newfoundland and Labrador and Nova Scotia	Hon. Serge Joyal
Offshore Oil and Gas Agreement—	Commission of Inquiry on the Spansarship Program
Effect of Delay in Legislative Process.	Commission of Inquiry on the Sponsorship Program
Hon. Noël A. Kinsella         1582           Hon. Jack Austin         1583	Motion—Order Stands.
Hon. Terry Stratton	Hon. Marjory LeBreton
Hon. Ethel Cochrane	Business of the Senate
Hon. David Tkachuk	Hon. Fernand Robichaud
	Hon. Noël A. Kinsella
Fisheries and Oceans	Hon. Noel A. Kinsella
Newfoundland and Labrador—Provincial Bill Involving Transfer	David Against
of Fish Quotas to Fisheries Products International.  Hon. Gerald J. Comeau	Royal Assent The Hon. the Speaker
Hon. Jack Austin	The Hon, the Speaker
	Adjournment
Public Safety and Emergency Preparedness	Hon. Fernand Robichaud
Alberta—Response to Flooding.	Holl, Perhand Robichaud
Hon. Consiglio Di Nino	Progress of Legislation
Holi, Jack Austin	1 together of Logistation







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CANADA

# Pebates of the Senate

1st SESSION

38th PARLIAMENT

**VOLUME 142** 

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OFFICIAL REPORT (HANSARD)

Tuesday, June 28, 2005

THE HONOURABLE DANIEL HAYS SPEAKER



# **CONTENTS**

(Daily index of proceedings appears at back of this issue).

Debates and Publications: Chambers Building, Room 943, Tel. 996-0193

# THE SENATE

Tuesday, June 28, 2005

The Senate met at 2 p.m., the Speaker in the chair.

Prayers.

[Translation]

# SENATORS' STATEMENTS

#### **EXHIBITS ON ITALY**

Hon. Marisa Ferretti Barth: Honourable senators, this summer, the national capital region will resonate with the sounds of Italy. Two museums in the region will be presenting exhibits on this country: one, on the treasures of Pompeii, and the other, on the Renaissance in Florence.

From May 27 to September 12, 2005, the Canadian Museum of Civilization is presenting the exhibition *Pompeii*, which focuses on the stories of the people who were caught by surprise when Mount Vesuvius violently erupted and who did not manage to escape the catastrophe.

Archaeological digs have revealed for us today the tragedy this city experienced. The exhibit, which is premiering in North America, brings together some 500 paintings, objects, frescoes, sculptures, jewels, precious stones and articles from daily life.

The National Gallery of Canada has opened an exhibit entitled, Leonardo da Vinci, Michelangelo and the Renaissance in Florence, which runs from May 29 to September 5.

This exhibit includes some one hundred works by artists who flourished between 1500 and 1550 in Florence. Michelangelo, Leonardo da Vinci, Raphael, Bronzino, Soligliani, and Piero di Cosimo are some of the artists whose extraordinary creativity may be admired.

This will be the first major exhibit of such rare and important works in Canada, indeed in North America. It is deeply indebted to National Gallery curator David Franklin, who has been preparing it for over four years.

The exhibit was also made possible thanks to some sixty lenders, who agreed to release their works. As France Pilon mentions in *Le Droit*, it gives art lovers time to discover one of the richest artistic periods in the history of Florence through its paintings.

Honourable senators, as Chair of the Canada-Italy Interparliamentary Group, I have nothing but praise for this splendid display of art and congratulations for the two museums on their initiative.

I hope you will go and visit these exhibits and discover there not only the artistic value of the country, but the love and the passion of the Italians. I wish you all a delightful visit.

[English]

### **MULTICULTURALISM DAY**

Hon. Donald H. Oliver: Honourable senators, yesterday was Canada's third annual Multiculturalism Day. Multiculturalism Day was created by Royal Proclamation on November 13, 2002, to recognize and celebrate the economic, social and cultural benefits that Canada can realize as a result of its diversity. It also affords Canadians the opportunity to reaffirm our commitment to democracy, equality and diversity.

Currently, honourable senators, Canada encompasses more than 200,000 ethno-cultural communities, while visible minorities in total represent 13.4 per cent of Canada's population. Visible minorities account for one-third of our GDP.

In short, multiculturalism is an everyday reality for Canadians and a fundamental part of our collective identity. In spite of the race hatred and discrimination that continues to exist in Canada today, our Canadian model of multiculturalism is indeed a model for the world to follow.

Honourable senators, this model role was evident when Brazilian officials asked me in April to speak at a landmark international conference on diversity in Brasilia, Brazil, entitled "Advancing Racial Equality: a Dialogue on Policies." Conference organizers wanted a Canadian presence to speak about the promotion of diversity and how Canada's multicultural framework has functioned as an institutional model for integrating racial and ethnic minorities.

Latin America's legacy of systemic discrimination has been largely avoided in the public discourse for over a century. Officials hoped that a Canadian could outline our country's experience of promoting a policy of multiculturalism, and shed some light on potential building blocks to assist Latin American policy-makers in providing a public voice for the 100 million Black Brazilians and other visible minorities who are victims of Latin America's ongoing race crisis.

At the conference, my remarks focused on how Canada is a country of immigrants whose economic success is predicated on our ability to attract ethnic minorities from around the world. In Canada, multiculturalism is an economic necessity.

I also explained the historical background that underpins Canada's multiculturalism framework, and how biculturalism provided the basic conditions for multiculturalism; the accommodation of two cultures raised the possibility of accommodating additional cultures.

I conclude today, honourable senators, as I did in Brazil: Canada must fully embrace not only our country's diverse multicultural nature, but we must also further embrace the economic, social and cultural benefits that Canada enjoys as a result.

[Later]

Hon. Shirley Maheu: Honourable senators, since 1971 multiculturalism within a bilingual framework has been Canadian government policy — a policy that emphasizes the maintenance and sharing with all Canadians of the rich cultural backgrounds brought from a diversity of origins around the planet. As well, the policy is designed to differentiate Canadians from Americans and to foster a national pride distinct from other nations. In the pursuit of this policy, it is noteworthy to find that new Canadians indicate in surveys, in spite of their retention of some ethnic pride, that they enthusiastically identify themselves as being Canadians first.

Some of the characteristics of our multiculturalism have changed dramatically over the last half century. Until about ten years following the Second World War, the immigrant flow to our shores was predominantly from Europe. By 1960, this pattern had changed dramatically across Canada and North America. American demographers project that in just 45 years, more than 50 per cent of the continental U.S. population will be brown rather than black or white. Canada will follow rapidly in that direction. More open attitudes towards inter-faith relationships and inter-racial marriages are transforming the face of North America.

Our spirit of multiculturalism dictates that age-old conflicts rooted in countries of origin have no place in the Canadian fabric. This balance between rejecting the elements of conflict, while embracing the positive diversity that new Canadians bring, has the great potential of realizing the mantra of "strength in diversity" that is so often mentioned when discussing the politics of multiculturalism.

It is obvious now that second generation immigrants quickly become significant participants in public policy activity in the political arena. In the 1990s, this activity was characterized by so-called ethno-cultural-based voting blocks at nomination meetings for the national political parties. Over the past five years, this trend has gone beyond mere voting blocks. Representatives of new ethno-cultural groups are seeking and winning nomination conventions for political office in our major urban centres, where 80 per cent of the population resides. Not only are they being elected to our provincial legislatures, but they are also joining the ranks of all the political parties in the House of Commons. We are at the cutting edge of a dramatic change in the composition of our institutions.

My backyard in Montreal is now the reflection of this multicultural pattern. It is a vibrant and dynamic community of diversity. Our new citizens everywhere are accepting the challenges of working and living together, sharing the best of what they bring to Canada from a multitude of origins.

On Canada Multiculturalism Day, yesterday, I salute all those who continue to promote our rich and growing diversity.

# THE HONOURABLE ISOBEL FINNERTY

#### TRIBUTES ON RETIREMENT

Hon. Consiglio Di Nino: Honourable senators, I would like to add a few comments on the retirement of my friend, Isobel Finnerty. I was not able to do this prior to today, so I trust you will indulge me.

I first heard of Isobel Finnerty some years before she was appointed to the Senate. She was a political opponent, mainly in the Ontario federal campaigns, although her influence also extended into the provincial arena. She was what I call a campaign warrior, fiercely partisan and pretty darn effective. She was good at planting diversions, sometimes even successfully. For a tiny woman, she was a big foe.

Shortly after I arrived in the Senate, we struck up a friendship, mainly by telling each other political lies. Over the years, this friendship has grown to be one of respect and closeness because we truly have much in common. I am sure Isobel would agree we now consider each other warm friends.

• (1410)

As a senator, she has shed her partisanship and has approached issues in a fair and balanced manner. She has been cooperative, thoughtful and generous. We are often on the same side of issues although the voting records may not reflect this, and we have shared many valuable experiences. Here, I would like to tell Les, do not get the wrong idea.

Isobel, as we bid you adieu, I want you to promise me that retiring also means retiring from electioneering, which will allow my party to win a few more seats, both federally and provincially.

Isobel, my friend, "you done good," and we will surely miss you. I extend to you my warmest best wishes for many more years of fulfilling accomplishments and tender love from your family and friends. Grazie e arrivederci presto.

[Later]

Hon. Marilyn Trenholme Counsell: Honourable senators, I rise to pay tribute to Senator Isobel Finnerty. I have not had the joy of getting to know her well, as many of my fellow senators have. Yet, as I listened to the splendid tributes, I was struck by one particular thought: I believe that Senator Finnerty represents the hundreds of thousands of Canadian women who give lifetime support to our democratic process and who, all too often, receive little recognition.

As a senator from New Brunswick, I think of my mother and many other mothers and women of all ages who, like Senator Finnerty, work passionately and tirelessly behind the scenes to get our municipal, provincial and federal representatives elected. Most often, women work loyally to get men elected but slowly—very slowly—we are achieving a balance in this respect.

In New Brunswick, we all know Tony Barry, better known as the "Mother of the Liberal Party of New Brunswick." In a sense, Senator Finnerty represents all the Tony Barrys across this nation. We owe Senator Finnerty and all the women like her in every province and territory an enormous and heartfelt vote of appreciation.

I do not think of her passage from this chamber as retirement. Rather, I ask her to continue to inspire other women not only to follow in her footsteps but also to create their own new paths. I am asked continually to encourage girls and women to take their full place in the political process. I am only a little bit younger than Senator Finnerty, and what I learned from my conversations with young women is that they need role models. Senator Finnerty is a role model and she should remember always how much our youth look to us for guidance and support as they imagine their futures.

Senator Finnerty leaves us greatly loved, much appreciated and hugely admired. I hope she will take this legacy with her and will pass on all her experiences and skills to others. She can, and will continue to, imbue others with those personal qualities that define her: simplicity, integrity, hard work, her smile and, perhaps most importantly, a deep and abiding love for Canada and the democracy that defines us. May God bless her.

#### **HEALTH**

# BAN ON INTERNET BULK PRESCRIPTION DRUG EXPORTS

Hon. Mac Harb: Honourable senators, in response to the growing diversion of Canadian prescription drugs to the U.S., the Minister of Health has now announced a ban on the bulk export of these pharmaceutical products. This announcement came just as the U.S. Congress moved to pass legislation that would authorize massive bulk buying from Canada's medicine supply. The minister's action was in direct response to the growing Internet pharmacy industry and the concern that Canada would not be able to meet the prescription drug needs of approximately 280 million Americans without putting our supply for Canadians at risk.

Everyone is in agreement on this debate, from patient groups, to doctors, to the Internet pharmacy industry. We must ban the bulk export of our drugs so that Canadians are protected. I would like to congratulate the minister and his officials for taking this important step to protect individual Canadians and the online drug industry in Canada.

• (1420)

# **ROUTINE PROCEEDINGS**

# **BUDGET IMPLEMENTATION BILL, 2005**

# REPORT OF COMMITTEE

Hon. Donald H. Oliver, Chair of the Standing Senate Committee on National Finance, presented the following report:

Tuesday, June 28, 2005

The Standing Senate Committee on National Finance has the honour to present its

#### FIFTEENTH REPORT

Your Committee, to which was referred Bill C-43, An Act to implement certain provisions of the budget tabled in Parliament on February 23, 2005, has, in obedience to the Order of Reference of Tuesday, June 21, 2005, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

# DONALD H. OLIVER

He said: Honourable senators, I am confident that leave to move to third reading of this bill forthwith will be unanimously and enthusiastically given.

The Hon. the Speaker: The Honourable Senator Oliver has asked for leave to proceed to third reading now. Is leave granted?

Hon. Senators: Agreed.

#### THIRD READING

Hon. Art Eggleton: Honourable senators, I move third reading of this bill.

The Hon. the Speaker: As no senator is rising to speak, are honourable senators ready for the question?

Hon. Senators: Question!

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to and bill read third time and passed.

[Translation]

# BILL TO AUTHORIZE MINISTER OF FINANCE TO MAKE CERTAIN EXPENDITURES

# FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-48, to authorize the Minister of Finance to make certain payments.

Bill read first time.

The Hon. the Speaker: Honourable senators, when shall this bill be read the second time?

[English]

Hon. Art Eggleton: Two days hence.

Hon. Marcel Prud'homme: Honourable senators, may I ask why two days hence and not one day hence?

The Hon. the Speaker: The Rules of the Senate of Canada provide for two days' notice of second reading.

Did the Honourable Senator Eggleton ask for leave to proceed in less time?

**Senator Eggleton:** I am not opposed to proceeding tomorrow, but I am following the normal procedure.

On motion of Senator Eggleton, bill placed on the Orders of the Day for consideration two days hence.

[Translation]

# LEGAL AND CONSTITUTIONAL AFFAIRS

COMMITTEE AUTHORIZED TO MEET DURING ADJOURNMENT OF THE SENATE

Hon. Lise Bacon: Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(a), I move:

That the Standing Senate Committee on Legal and Constitutional Affairs have power to sit at 4:00 p.m. on Wednesday, June 29, 2005, even though the Senate may then be sitting, and that Rule 95(4) be suspended in relation thereto.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

[English]

# **QUESTION PERIOD**

# **BUSINESS OF THE SENATE**

ROYAL ASSENT OF BUDGET IMPLEMENTATION BILL, 2005

Hon. Ethel Cochrane: Honourable senators, will the government take steps to move ahead with Royal Assent for Bill C-43 today — now?

Hon. Jack Austin (Leader of the Government): Honourable senators, I am delighted with the cooperation of the official opposition with respect to Bill C-43, as represented by Senator Cochrane. I will contact the other place to learn whether they are able to participate in Royal Assent. They are rather busy today, but I will make that representation.

In the meantime, I would, of course, be delighted to have the same cooperation with respect to Bill C-48. We would be very happy to move that bill to committee this week, if the other side would agree that second reading debate might start tomorrow.

Senator Cochrane: Honourable senators, on June 5, 2004, the Prime Minister gave his personal commitment to Danny Williams and the people of Newfoundland and Labrador. That commitment was also expressed at that time by the Prime Minister to the local and national media. Today, the government can choose to put those words into action and follow through with its commitment to my province. Each day that passes, Newfoundland and Labrador loses a minimum of \$170,000. We have a unique opportunity to move this legislation off the agenda and implement it now.

Let the government not stall this matter any longer, please. Let us move forward with Royal Assent. I am sure the House of Commons could accommodate us as they accommodate other persons. Give Nova Scotians, as well as Newfoundlanders and Labradorians, the fair share of the revenue from their natural resource, which they truly deserve.

Hon. Senators: Hear, hear!

Senator Austin: Honourable senators, it is delightful to hear from Senator Cochrane at this late date in the progress of Bill C-43. For many weeks, her side held up the passage of that bill. The Province of Newfoundland and Labrador and the Province of Nova Scotia could have received their cheques quite some time ago. However, for partisan political reasons, that side held up and voted against Bill C-43, trying to defeat the bill and deprive those provinces of that revenue.

Senator Cochrane's speech is very interesting but will gain no political ground, I am sure, in the judgment of the people of her province or of Nova Scotia.

# NATURAL RESOURCES

NEW BRUNSWICK—FINANCIAL TERMS FOR REFURBISHING POINT LEPREAU NUCLEAR POWER PLANT

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I hesitate to change the topic because it is so important for Atlantic Canadians. I hope it will not take more than a day or two to give this bill Royal Assent because, as the Minister of Finance told us, the cheque cannot be cut until the bill has actually become part of the Statutes of Canada. They will cut a cheque within 48 hours. The clock has been ticking. The people of Newfoundland and Labrador as well as the people of Nova Scotia are out money because of the actions of this government. When this government had an opportunity, it did not act. However, that is not my question today.

• (1430)

My question today relates to the province of New Brunswick. I have the honour of being one of the senators who represents that province. My question relates to the Point Lepreau refurbishment. The Leader of the Government in the Senate may have noticed an article in the New Brunswick Telegraph Journal quoting a member of the federal government, Mr. Paul Zed, who said that the offer is close to being concluded. The article began:

The federal government is expected to present NB Power with a proposal in as little as two weeks to help with the \$1.4 billion refurbishment of Point Lepreau nuclear power plant.

The Minister of Natural Resources, Mr. John Efford, who comes from Newfoundland and Labrador, is referred to in the same article as insisting:

... this week he has seen nothing on paper from his department, nor has he been briefed on the latest developments on the file.

Mr. Efford seems unaware of the proceedings that Mr. Zed claims are under way.

Clearly, it is essential that New Brunswickers know what is going on. They deserve to know whether the situation is imminent or whether it is a pipe dream.

My question for the minister is: Who is speaking for the government? Is the Minister of Natural Resources on this file, or is it the Member of Parliament for Saint John?

Hon. Jack Austin (Leader of the Government): Honourable senators, in regard to the opening remarks of Senator Kinsella, I will say that Royal Assent for Bill C-43 is planned for Thursday of this week. We were not aware, of course, of his generous offer today to pass both report and third reading stages this afternoon. I hope that I will be able to accelerate Royal Assent.

There seems to be disagreement with Senator Stratton, but he and I have not had a conversation on this subject.

Senator Stratton: We tried to get clause by clause review last week and the honourable senator knows it.

Senator Austin: We are aware of last week, but this is this week and I did not hear anything this week.

With respect to the question put by Senator Kinsella, I wish to say two things: First, I treat the negotiations that I have been advised are underway as a matter of serious concern for both Senator Kinsella and the province of New Brunswick. I will have the opportunity to make ministerial inquiries. Second, I will have the opportunity to make those inquiries this afternoon and I hope to be able to advise further.

#### **HEALTH**

PRIVATE AND PUBLIC DELIVERY OF SERVICES— PROPOSED DEBATE BY CANADIAN MEDICAL ASSOCIATION

Hon. Wilbert J. Keon: Honourable senators, my question is for the Leader of the Government in the Senate. The Canadian Medical Association has announced that its annual meeting in August will feature a session that will discuss the interface between private and public health care in our country. The President of the CMA, Dr. Albert Schumacher, has said that the recent Supreme Court ruling on medicare has made this debate both timely and necessary. However, the Minister of Health has

spoken out against the decision to include this discussion at the meeting. The minister told the *National Post* that he is extremely disappointed that the CMA will debate this issue and said: "I think the CMA has to determine whether they want to be partners with us."

Could the Leader of the Government in the Senate tell us why the Minister of Health believes it is wrong for the Canadian Medical Association to discuss the issue of private care at its own conference since there is already a large component of private care in Canada?

Hon. Jack Austin (Leader of the Government): Honourable senators, I will have to speak with the Minister of Health and advise further.

**Senator Keon:** Honourable senators, Dr. Schumacher has said that he hopes our society will finally engage in debate on the subject that is reasonable and free of rhetoric.

We all know that 30 per cent of health services are already private in Canada. I believe we all hope that some reasonable readjustment of private and publicly-funded services can occur. For example, in mental health services, there is tremendous hardship for the patients in procuring private, uninsured services.

Can the Leader of the Government in the Senate tell us how we will ever establish what the publicly funded system should cover and what it should not cover if we do not engage in debate?

**Senator Austin:** Honourable senators, I believe I would be the last person in this chamber to say that debate on public policy is not desirable. We do not have enough informed debate on most public policy issues.

Nothing is probably more at the fore of Canadian interest and importance than health care and the issues that health care involves. I have little hesitancy in predicting that this issue will remain a major one in Canadian public policy debate for several months if not a few years hence.

#### TREASURY BOARD

# LOBBYIST CONTINGENCY FEES

Hon. David Tkachuk: Honourable senators, my question concerns lobbyist contingency fees, which are fees or commissions that are paid when a lobbyist is successful in arranging a contract. Last week, we learned that, contrary to government rules, lobbyist firms had been paid contingency fees to arrange for technology partnership grants. The government's response was that it had forced these companies that were caught to repay these fees.

In a book to be released this week called, *The Laws of Government: The Legal Foundations of Canadian Democracy*, we are told that between 1996 and 2004, some 80 lobbyists worked for 241 clients on a contingency-fee basis. This practice is in spite of Treasury Board rules that prohibit the use of these fees for those obtaining government contracts.

According to the authors, lobbyists charge contingency fees for obtaining softwood lumber quotas, fish quotas, tax credits, tariff relief, grain subsidies and event sponsorships, as well as loans and grants.

Could the Leader of the Government in the Senate advise as to why the government has not simply acted to make contingency fees illegal, requiring lobbyists to charge only on a fee-for-service basis?

Hon. Jack Austin (Leader of the Government): Honourable senators, I do not have the response that would be justified by the question. I will make inquiries. I am not personally informed about the law with respect to contingency fees, but I will try to advise the Senate shortly.

Senator Tkachuk: Honourable senators, could the minister also enquire as to whether there has been any investigation into whether a percentage of contingency fees went to the Liberal Party of Canada?

Senator Austin: I could do that. I could also enquire, I suppose, whether any fees went to the Conservative Party of Canada or any other party. The answer I gave Senator Tkachuk last week is the answer that I will continue to repeat: if he has any charges to make or any information to provide we would be interested in hearing him. These political innuendoes that lead nowhere are really not helpful to the decorum of the chamber.

• (1440)

Senator Tkachuk: I was simply asking the question because a lot of evidence has been given in the Gomery inquiry by advertising agencies, and they were not allegations. It was people testifying under oath saying that they took cash — obviously, it was illegal cash — and that they paid it out to Liberal Party workers and to the Liberal Party of Canada. It is not too far a stretch to say that perhaps people who work for a contingency fee when lobbying for the same sponsorship loans and grants might be paying out a percentage as well. That is a legitimate question.

Senator Austin: Honourable senators, it is far from legitimate. It is a wish on the part of Senator Tkachuk that will receive no fulfillment.

# DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour of presenting delayed answers to eight oral questions raised in the Senate.

The first was in response to a question raised on June 14 by Senator Tkachuk, regarding the testing of Agent Orange and Agent Purple. The second is response to a question raised by Senator Comeau on June 21 regarding the Centre communautaire de Prince-Ouest school.

[Translation]

The third is in response to a question raised on June 23, by Senator Di Nino regarding the response to flooding in Alberta. The fourth is in response to questions raised on June 14, by Senator Di Nino regarding the 2005 United States trafficking in persons report.

[English]

The fourth is response to questions raised on June 14 by Senator Di Nino regarding the 2005 United States trafficking in persons report. The fifth is in response to a question on June 15 by Senator Meighen regarding testing for Agent Orange at CFB Gagetown and the use of Agent Purple at CFB Gagetown. The sixth answer is in response to a question raised on June 21 by Senator Oliver regarding Live 8. The seventh is in response to a question raised by Senator Stratton on June 7 regarding biodiversity.

The last and final answer is in response to a question raised on June 14 by Senator Keon regarding West Nile virus and avian flu, efforts to control and contain the spread.

## NATIONAL DEFENCE

GAGETOWN—TESTING OF AGENT ORANGE AND AGENT PURPLE—TIMING IN RELATION TO STATED POSITION ON VIETNAM WAR

(Response to question raised by Hon. David Tkachuk on June 14, 2005)

For a very limited period in 1966 and 1967 the Government cooperated with the United States to test a number of chemicals at CFB Gagetown, including Agent Orange and Agent Purple.

To the best of our knowledge, Agent Orange and Agent Purple were not used or tested on any Canadian military facilities other than CFB Gagetown.

Our purpose for these tests was to find more effective ways to deal with vegetation in the training area.

It must be noted that these chemicals were not tested on people, but on the foliage at CFB Gagetown.

This testing took place in limited areas of the base and under controlled circumstances. It did not involve widespread spraying and there is no evidence to date that any civilians outside of the base were exposed to Agent Orange or Agent Purple.

We are determined to uncover as many of the facts as possible and work with anyone who may have been exposed to Agent Orange and Agent Purple as a result of these tests.

#### SOCIAL DEVELOPMENT

#### PRINCE EDWARD ISLAND—TIGNISH REGION— FINANCIAL SUPPORT FOR SCHOOL

(Response to question raised by Hon. Gerald J. Comeau on June 21, 2005)

Discussions are currently underway between representatives of the Department of Canadian Heritage and Prince Edward Island's Department of Education regarding construction of a school-community centre in the Prince-Ouest region.

The Department of Canadian Heritage is aware of the importance of this project for the minority official-language community situated in the region.

An agreement in principle with the Government of Prince Edward Island is expected in the near future.

The Department has clearly demonstrated its commitment in the past with respect to school-community centres in Prince Edward Island as demonstrated by its financial support for the centres in Charlottetown and Summerside.

# PUBLIC SAFETY AND EMERGENCY PREPAREDNESS

# ALBERTA—RESPONSE TO FLOODING

(Response to question raised by Hon. Consiglio Di Nino on June 23, 2005)

Public Safety and Emergency Preparedness Canada (PSEPC) provided assistance for the damage caused by serious floods that affected southern Alberta 10 years ago, and is prepared to provide similar assistance for the current flooding.

PSEPC administers the Disaster Financial Assistance Arrangements (DFAA) on behalf of the Government of Canada to assist provinces and territories in meeting the costs of disaster response and recovery where these exceed what they might reasonably be expected to bear on their own.

In a letter dated June 23, 2005, Alberta has requested assistance under the DFAA and PSEPC is working on the process to authorize federal financial assistance.

Alberta has indicated that it will take time to scope the impact of the flooding, and as this is done PSEPC will continue to work with our provincial counterparts to support the recovery efforts.

# **CANADA-UNITED STATES RELATIONS**

#### DEPARTMENT OF STATE— 2005 REPORT ON TRAFFICKING IN PERSONS

(Response to question raised by Hon. Consiglio Di Nino on June 14, 2005)

The Government of Canada remains firmly committed to addressing trafficking in persons (TIP); the Government has taken numerous recent measures to combat TIP domestically and together with the international community. It is also an issue on which we continue to closely collaborate with the United States through the Cross Border Crime Forum as well as through the March 2005 Security and Prosperity Partnership of North America.

The 2005 U.S. Trafficking in Persons Report was prepared by the U.S. State Department in fulfillment of its statutory requirement to submit to the U.S. Congress an annual report assessing the anti-trafficking prevention, protection and prosecution activities of other governments against minimum standards, set by the U.S., and assigns states a tier ranking. Tier 1 states meet these standards; Tier 2 states do not fully comply, and Tier 3 states do not meet these standards. The 2005 report is the 5th annual Report. Canada remains in Tier 1.

Domestically, Canada's commitment to combat TIP is reflected in numerous recent anti-trafficking measures, including the tabling of criminal law reforms that will strengthen our responses to TIP — to more clearly deter and denounce such conduct, to better protect those at risk, and to impose increased accountability on traffickers. These proposed reforms are a first deliverable on the federal anti-trafficking strategy, currently being developed by the federal Interdepartmental Working Group on Trafficking in Persons, which coordinates all federal anti-trafficking activities. This strategy will enhance our coordination and responses to combat TIP and will focus on the prevention of trafficking, protection of victims and holding perpetrators accountable, consistent with the prevailing international community's approach.

Canada's continued top ranking by the 2005 U.S. Trafficking in Persons Report is a reflection of these commitments and efforts. Although the Government collaborates with the United States, including in the preparation of this report by providing information on Canadian anti-TIP efforts, the U.S. report is compiled by the U.S. from a variety of sources, including anecdotal, which do not necessarily reflect Canadian information or policies.

The 2005 Report's assessment of Canada is critical of the number of Canadian prosecutions/convictions of traffickers, the existence of a "program" to enable foreign exotic dancers to come to Canada only to be trafficked into the sex trade, and the absence of a Visa requirement for South Korean tourists to Canada.

# Prosecutions

Canada's existing legal framework criminalizes TIP under various *Criminal Code* offences that address trafficking-related conduct (such as kidnapping, forcible confinement,

uttering threats, extortion, sexual assault, prostitution-related offences and criminal organization offences) as well as under the specific TIP offence in the *Immigration and Refugee Protection Act (IRPA)*, which came into force in June of 2002. There have been numerous TIP-related convictions under these *Criminal Code* offences and the first charges under the *IRPA* trafficking offence were laid in April 2005 against a Vancouver massage parlour owner (noted in the 2005 Report). Proposed criminal law reforms in Bill C-49, *An Act to Amend the Criminal Code* (trafficking in persons), tabled on May 12, 2005, will enhance these existing efforts to prosecute these cases as well as facilitate tracking and monitoring of trafficking cases.

# Exotic Dancers

The Government of Canada has never had a "program" to facilitate the entry of foreign exotic dancers into Canada. Human Resources and Skills Development Canada (HRSDC) and Citizenship and Immigration Canada (CIC) jointly administer the entry of all temporary foreign workers into Canada under the *IRPA*.

In December 2004, a national labour market opinion respecting exotic dancers was rescinded and replaced with a stricter case-by-case approach, as well as a series of additional safeguards and assessment criteria. Now, like any employer wishing to hire a foreign worker, club owners must seek a labour market opinion from HRSDC for each foreign exotic dancer they wish to employ. When assessing a work permit application, visa officers, who are trained to be aware of TIP, ensure that all applicants have proper documentation, including a HRSDC labour market opinion; meet health and security criteria; have the qualifications required to perform the job; and are aware of the terms and conditions of the employment contract. HRSDC officials have been reviewing departmental processes to ensure the approach is fair and rigorous. While this review is underway, HRSDC will renew applications for exotic dancers already in Canada, but will not process new applications. The Government of Canada is concerned about the welfare of all foreign workers and exercises diligence in ensuring that potential situations of TIP may be prevented.

# Alleged Trafficking of South Koreans

Canadian law enforcement is aware that irregular migrants from South Korea are smuggled into the United States from Canada and has worked with American law enforcement to identify and impede such conduct. However, there is no reliable information to support the allegation made in the Report that a significant number of South Koreans have actually been trafficked, as opposed to smuggled, into the United States from Canada. Migrant smuggling involves the illegal movement of people across international borders and smuggled persons are free to go upon arrival at their destination. In contrast, trafficking may occur across or within borders and trafficking victims are not free to go upon arrival; they are subjected to ongoing exploitation, typically in the sex industry or for forced labour.

Canada's visa regime is based on a country by country assessment of the risks and benefits associated with the movement of citizens, including socio-economic and political factors. It also balances the desire to welcome visitors and newcomers to Canada with the obligation to protect Canadian society. The Government remains supportive of its visa policy including with respect to South Korea.

The South Korean irregular migration movement is a dynamic one, involving all of North America — Canada, the United States and Mexico. As such, authorities of all three countries are dedicated to ensuring that this common irregular immigration issue is combated. Prevention of irregular migration is a joint responsibility. For that reason, Canada and the U.S. have in place Integrated Border Enforcement Teams, which unite Canadian and U.S. law enforcement and intelligence officers and are strategically placed at our shared border to detect and apprehend individuals who commit illegal activities there.

Canada's network of Migration Integrity Officers that are stationed around the world are actively working to stop human smuggling and trafficking. Canada remains committed to working with our international partners to prevent and combat all forms of TIP.

### NATIONAL DEFENCE

GAGETOWN—TESTING OF AGENT ORANGE AND AGENT PURPLE

(Response to question raised by Hon. Michael A. Meighen on June 15, 2005)

For a very limited period in 1966 and 1967, the Government of Canada cooperated with the United States to test a number of chemicals at CFB Gagetown, including Agent Orange and Agent Purple, because the testing fit with the brush control requirements of the base.

To the best of our knowledge, Agent Orange and Agent Purple were not used or tested on any Canadian military facilities other than CFB Gagetown.

This testing took place in limited areas of the base and under controlled circumstances. It did not involve widespread spraying and there is no evidence to date that any civilians outside of the base were exposed to Agent Orange or Agent Purple.

As part of our proactive approach, this summer National Defence will be testing the soil, vegetation and water at the CFB Gagetown testing sites to see if there might be residual contamination. The results of this testing will be made public.

We are determined to uncover as many of the facts as possible and work with anyone who may have been exposed to Agent Orange and Agent Purple as a result of these tests.

# HERITAGE

## LIVE 8 CONCERT—COSTS OF STAGING AND CLEANUP

(Response to question raised by Hon. Donald H. Oliver on June 21, 2005)

The Government of Canada is pleased that the concert promoters have chosen Barrie, one of our country's most vibrant and fastest growing cities, as the Canadian location for the Live 8 concert.

The concerts will draw attention to a crucial issue, the challenge of global poverty. The goals of these concerts are to be applauded and this government recognizes the importance of any effort to rally public support for a cause as important as global poverty.

That being said, no official request has been made to the Government to cover these costs.

#### THE ENVIRONMENT

# SIERRA CLUB THIRTEENTH ANNUAL REPORT CARD ON 1992 EARTH SUMMIT IN RIO DE JANEIRO

(Response to question raised by Hon. Terry Stratton on June 7, 2005)

Canada was in fact the first industrialized country to sign and ratify the United Nations Convention on Biological Diversity in 1992. In 1996, all provinces and territories and the federal government endorsed the Canadian Biodiversity Strategy which provides a framework for implementing the Convention in Canada.

Many provinces and territories have since developed their own biodiversity strategies based on this national framework. Most recently, the province of Ontario released its biodiversity strategy on June 21.

The federal government has been actively implementing the Strategy as well through the creation of national parks, through its species at risk legislation and through recent policy initiatives such as the national invasive alien species strategy approved by all jurisdictions in September 2004.

Federal resource departments are also building biodiversity into national sectoral policies such as the Agricultural Policy Framework, the National Forest Strategy and the recently announced Oceans Action Plan.

# **HEALTH**

PUBLIC HEALTH AGENCY—WEST NILE VIRUS AND AVIAN FLU—EFFORTS TO CONTROL AND CONTAIN SPREAD

(Response to question raised by Hon. Wilbert J. Keon on June 14, 2005)

The Government of Canada continues to work with provincial and territorial governments and First Nations communities to coordinate a national approach to combatting West Nile Virus (WNV).

The small number of cases in 2004 should not be interpreted as a forecast of low activity in 2005.

WNV appears to be established in the Canadian ecology, and it is likely that the range of WNV activity will continue to spread in Canada (and the United States) in 2005. Predicting the regional activity and the exact number of cases of human illness is, however, difficult. Considering the geographic spread of the disease since 1999 in North America, it would be reasonable, in 2005, to expect to see positive cases appear in provinces or regions where the disease has not yet appeared as well as cases continuing to be recorded in areas previously affected. Early season activity in California indicates that WNV may get to British Columbia this year.

It is important for the public to be reminded about how to protect themselves from West Nile. The Public Health Agency of Canada (PHAC) is, therefore, working with its P/T colleagues to provide clear advice to Canadians on a regular basis. Sustained public education is critical in order to reinforce messages on protective measures.

Surveillance, education, prevention, control, and research activities during 2005 and in the future will help to better understand and manage the immediate and long term impacts of WNV.

The PHAC, together with P/T public health authorities, maintains surveillance of human West Nile virus infection. Sharing of information with colleagues in the USA ensures regular exchange of information and findings.

Timely sharing of surveillance data by the PHAC with blood operators supports the maintenance of the safety of blood, cells, tissues and organs in Canada.

We are working with the Canadian Cooperative Wildlife Health Centre and PT partners to maintain surveillance of the virus in birds and in mosquitoes.

#### STATISTICS ACT

# BILL TO AMEND—MESSAGE FROM COMMONS

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons returning Bill S-18, to amend the Statistics Act, to acquaint the Senate that they have passed this bill without amendment.

Hon. Senators: Hear, hear!

# ORDERS OF THE DAY

# CANADA BORDER SERVICES AGENCY BILL

SECOND READING—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Banks, seconded by the Honourable Senator Corbin, for the second reading of Bill C-26, to establish the Canada Border Services Agency.

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I draw the attention of the Senate to the fact that this bill was introduced on June 14, Senator Banks moved second reading on June 16 and Senator Forrestall spoke on June 21, at which time Senator Cools adjourned the debate on that day and has not spoken since. If she were here, I would ask her when she intends to speak, as the bill has been stood in her name now for a week, and we would certainly like to see it move forward.

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I believe we adjourned debate on Bill C-26 in her name on June 21, and today is June 28, knocking off two days. I will have a discussion with the honourable senator. I also think there was something else on the plate with respect to that matter.

Order stands.

## SPIRIT DRINKS TRADE BILL

## REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the eighth report of the Standing Senate Committee on Agriculture and Forestry (Bill S-38, respecting the implementation of international trade commitments by Canada regarding spirit drinks of foreign countries, with amendments), presented in the Senate on June 23, 2005.

Hon. Joyce Fairbairn moved the adoption of the report.

Hon. Grant Mitchell: Honourable senators, I rise to make a few comments on Bill S-38. By way of clarification, and for those senators who were not members of the committee, this bill is designed to implement certain protections for foreign spirits that were negotiated by the Canadian government under three separate agreements: an agreement with the European Union committee on wines and spirits, under NAFTA, and through negotiations with the Caribbean. It may seem easy to implement what are relatively limited though quite technical provisions, negotiated as they were under these three agreements, but as it turns out, it is not as easy as it would first appear.

The original version of the bill was reviewed by a number of parties, including officials from International Trade Canada and

several interested groups, and it was deemed necessary to change or amend the wording of the bill in certain respects so as to clarify and distinguish more specifically what was negotiated under these three agreements.

First, the spirits in question had to be defined, and, second, certain processes that might alter one's appreciation of the definition of the spirits had to be clarified and certain trademarks had to be protected. At the end of the day, exactly that was done. Clause 3 was amended to specify that certain spirits to be sold in Canada but made elsewhere had to use a specific name, and if any derivative of that spirit were ever to be manufactured, for example, in the case of a grappa cooler, it would have to be made in Italy and could not be made in Canada.

To make it more complex, under the NAFTA that was not quite the case. In that case, a spirit such as tequila to be sold in Canada had to be made in Mexico. At the same time, if someone wanted to make a tequila cooler, they were able to make that in Canada and still call it a tequila cooler. That has been clarified.

Finally, for the Scotch and whiskey drinkers, in particular, Irish whiskey drinkers, this would be of relevance. It turns out that frequently a concentrate of a certain spirit is imported to Canada, which might be, for example, 80 per cent alcohol. In order for that to be sold in Canada, it must be diluted to 40 per cent alcohol, surprising me and many others, that when you drink Scotch you always drink Scotch and water. In order to do that, if it is blended in Canada, the case could be made that it is no longer made in its country of origin. That was clarified, so that if water, for example, is used in Canada to blend Scotch whiskey, it would still be Scotch whiskey and still protected under this agreement.

In the process of reviewing this act, three other basic issues were raised by various parties. One was the definition of Caribbean rum. The committee has indicated that this would have to be defined by renegotiation. It is not something we could do unilaterally. The process of certifying what Canadian rye whiskey is and its age is an administrative process that is provided for in certain legislation, which will expire in two years. A replacement for that is under way.

# • (1450)

Finally, I would mention that a constitutional point was raised by Senator Oliver. He greatly impressed me with his acumen generally and with his knowledge of precise, detailed, and highly technical constitutional law. The government made a commitment to the minister to have an explanation for that, which has been sent to Senator Oliver, as it has to all members of the committee. He and I will address that explanation in more detail.

I feel confident that these amendments are fully in keeping with what is the purpose of this law. The committee passed the amendments, and I would simply ask that honourable senators do the same thing here in this chamber.

The Hon. the Speaker: I see no senator rising to speak or adjourn the debate. Are honourable senators ready for the question?

Hon. Senators: Question!

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to.

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Mitchell, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

#### CRIMINAL CODE

#### BILL TO AMEND—REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the sixteenth report of the Standing Senate Committee on Banking, Trade and Commerce (Bill S-19, to amend the Criminal Code (criminal interest rate) with an amendment), presented in the Senate on June 23, 2005.—(Honourable Senator Grafstein)

Hon. Jerahmiel S. Grafstein moved the adoption of the report.

He said: Honourable senators, last Thursday the Standing Senate Committee on Banking, Trade and Commerce reported on Bill S-19, to amend the Criminal Code (criminal interest rate), as amended.

Today, may I briefly discuss this bill, and the process by which the bill was examined by the Standing Senate Committee on Banking, Trade and Commerce.

As honourable senators will recall, the bill was introduced in the Senate as a private member's bill on November 4, 2004, by the Honourable Senator Plamondon, a senator who has a long history as an outstanding consumer advocate. During debate on the bill on November 17, the honourable senator identified the purpose of the bill:

The first objective is to review the criminal interest rate currently set at 60 per cent in the Criminal Code, which has not changed since 1981. The second one is to change the definition of "interest" in paragraph 347(2) of the Criminal Code.

In particular, the bill would change the definition of the criminal rate from 60 per cent to a rate that exceeds, by 35 per cent or more, the Bank of Canada's target overnight rate on the day the agreement or arrangement is entered into or renewed. In essence, the amendment would establish a maximum differential between the target overnight rate as presented by the Bank of Canada and the interest rate that could be charged to the consumer.

Senator Plamondon has indicated that the existing 60 per cent interest rate has not changed since 1981, and was established at a time when the Bank of Canada's overnight rate was considerably higher than is currently the case. The bill would also amend the definition of "interest" in a manner that would allow insurance charges to be included in the definition.

The bill was amended in committee in response to concerns raised during the committee's deliberations. A new subsection of the Criminal Code would specify that section 347, the criminal interest rate provision, would not apply to agreements or arrangements under which the credit advanced exceeds \$100,000. The purpose of that amendment is to ensure that the provision would not apply to large-scale commercial loans or transactions.

Honourable senators, I am pleased to say that the Standing Senate Committee on Banking, Trade and Commerce conscientiously examined this private member's bill and held a total of five full hearings. The bill was referred to the committee on December 7, 2004, and hearings were held the very week that the Senate returned from recess. Meetings were held on February 2 and 3, as well as June 1, 2, and 22. I will explain the delay.

As is customary, we launched our hearings with a presentation by the bill's sponsor, Senator Plamondon, who spoke both eloquently and passionately about the need to update the criminal interest provision found in the Criminal Code in the interest of consumers. Her appearance on February 2 was followed by presentations from Department of Justice and Industry Canada officials, as well as from Option consommateurs and the Institut québécois d'éthique appliquée. Hearings continued the on next day with the Canadian Bankers Association, the Canadian Barkers Association of Community and Financial Service Providers, the Vanier Institute of the Family and the Ontario Association of Credit Counselling Services, who all made presentations to us.

Honourable senators may also wish to note that written comments were received from the Canadian Venture Capital Association, the Credit Union Central of Canada, a couple named Lynda and Daniel who did not provide a surname in their letter, and Mr. Brad Blaney.

We sent requests to all the provinces to appear and gave them ample time to consider this matter. The following provinces — New Brunswick, Manitoba, Alberta, Saskatchewan, British Columbia and Quebec — submitted letters of comment, which we reviewed carefully. The question of consumer protection in this bill is a shared concern and a shared jurisdiction of the federal government and the provinces. Thus, we reviewed the provinces letters with care and deliberation but did not have the benefit of cross-examining the provinces on their concerns as they each chose not to appear. The committee gave the provinces over four months, ample time to appear, and they chose not to do so. Notwithstanding that, we carefully examined each and every one of their letters as presented to us.

Honourable senators on the committee also received a letter from the Minister of Justice and the Attorney General of Canada dated June 1, and received a copy of the letter that had been previously sent to Senator Plamondon by the minister dated March 14, 2005. Honourable senators, I feel that I must comment on the minister's June 1 letter and the attempts of the committee to have the minister appear before us in relation to Bill S-19. I think I am accurately reflecting the sentiment of all committee members when I say that we were disappointed that the minister was not able to attend to explain more fully his complicated letter.

The minister's letter arrived on the day we were considering the committee's agenda with respect to Bill S-19, and at the time the committee could have decided to proceed with clause-by-clause consideration of the bill either that day or the following day. On receipt of the minister's letter, the committee decided that the best course of action would be to invite the minister to share his thoughts on Bill S-19 in person, and to allow all members, including the sponsor, Senator Plamondon, to question him about his views. Although we had proposed several dates for an appearance by the minister and had confirmed a meeting with him for several weeks hence, he was unable to meet us on the date he selected because of his appearance before another committee on a government bill on June 22. That was the Standing Senate Committee on Legal and Constitutional Affairs. We all understand that a government bill has priority over a private member's bill.

However, we left open the following day, June 23, and then we were advised that the minister could not attend on that date either. With time marching on, the committee determined that while we would continue our examination of the bill without the minister's appearance, we would examine his letter in detail, which we did without benefit of questioning him on his letter. We then reported the bill to the Senate prior to the summer recess, on division.

Honourable senators, that concludes my remarks on Bill S-19. I wish to thank once again Senator Plamondon for bringing this issue to the attention of the Senate and for her continued and expert work in the protection of consumers across Canada.

• (1500)

I also wish to thank each and every member of the Standing Senate Committee on Banking, Trade and Commerce for their thoughtful, thorough and timely consideration of this private member's bill. I know I can look forward to continued thoughtful and thorough consideration of other topics being examined by the Banking Committee. The report was passed on division in the committee on June 22, 2005 and tabled June 23, 2005 for consideration for the Senate today. I want to thank all honourable senators for their indulgence and attention.

# [Translation]

**Hon.** Madeleine Plamondon: Honourable senators, I am very pleased with where we are at on Bill S-19. As everyone knows, the main purpose of the bill is to change the criminal interest rate, which has not been updated in 25 years.

I will not repeat everything that has been said about the process so far, since Senator Grafstein did a good job of that. I will say that millions of Canadians thank you today for listening to them. All I have done is advocate for consumers, who have put their trust in the Senate and told us about their financial difficulties. Today's result is only one ingredient in a complex recipe for consumer credit protection, but it is a vital ingredient.

In considering the bill, the Senate committee learned that the provinces, territories and the federal government are working together on a better credit structure. This is a solution for the

medium term, but let us hope it will be more successful than previous similar initiatives. We have to believe that the cooperation by all parties will be productive.

I want to thank the members of the committee and all the organizations and individuals who came to speak with us across the country. I even want to thank the person who voted against the bill, as that provides additional arguments. I would also like to take this opportunity to thank the chair of the committee, who led the meetings and discussions diplomatically and effectively.

Again, the main purpose of the bill is to update the criminal rate by setting it at thirty-five percentage points above the base rate.

[English]

Honourable senators, this is a first step in the right direction.

# [Translation]

The issues surrounding this bill were carefully considered, and I do not see what more could be said. Since it is likely that the other chamber will adjourn very shortly, and with the leave of the Senate, I move that we proceed immediately with third reading of this bill.

# [English]

The Hon. the Speaker: No senator rising to speak, I ask if honourable senators are ready for the question.

Hon. Senators: Question!

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and report adopted.

# THIRD READING

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

Hon. Madeleine Plamondon: Honourable senators, with leave, now.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to and bill read third time and passed.

# STUDY OF ISSUES DEALING WITH RATE OF PRODUCTIVITY

# REPORT OF BANKING, TRADE AND COMMERCE COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the fifteenth report of the Standing Senate Committee on Banking, Trade and Commerce, entitled, Falling Behind: Answering the wake-up call. What can be done to improve Canada's productivity performance? tabled in the Senate on June 22, 2005.—(Honourable Senator Grafstein)

Hon. Jerahmiel S. Grafstein moved the adoption of the report.

He said: Honourable senators, last Wednesday in this chamber I tabled a report by the Standing Senate Committee on Banking, Trade and Commerce on Canada's productivity and what must be done, in the committee's view, to improve and enhance our productivity. Today I urge this chamber to adopt the report and its recommendation in its entirety. Let me tell honourable senators what is in the report and why I believe all of us in the Senate should support it.

However, before I comment on the report, senators may recall that the Standing Senate Committee on Banking, Trade and Commerce was the first committee the Senate established in 1867. At that time, its terms of reference were to provide an overview of the major elements of our economy. Over the years, greater attention has been paid by the committee to banking and fiscal questions. This report illustrates the committee's desire to once again broaden our focus to the larger questions affecting the national economy as a whole.

Our report entitled Falling Behind: Answering the wake-up call. What can be done to improve Canada's productivity performance? is based on an experimental hearing, at least as far as the committee is concerned. It was based on two days of intensive round table discussions with expert Canadians and honourable senators who sit on the committee. This chamber and the other place — particularly the other place — may want to take note that it took less than six weeks from the time the first round table took place on May 11 to tabling the report last week in the Senate, at a cost of \$6,000. We tried to be productive in our report as well.

The committee undertook an examination of productivity issues because of our growing concern about Canada's productivity performance, its impact on the Canadian economy and its implications for our standard of living and our quality of life. I should note that we undertook this study at the urging of our committee deputy chair, Senator Angus.

Meanwhile, rumours of our report on productivity triggered a spate of recent public discussions from the Minister of Finance, other members of the government and others in the private sector. This is all to the good, in my view, since the primary objective of our report was to instigate a public debate in improving Canada's lagging productivity performance.

We were delighted, as well, that just last Friday in New York City, after the report was tabled here in the chamber, the Minister of Finance echoed many of our report's concerns and recommendations. Today, we welcome the senior business leadership of Canada, who have joined our growing chorus of those concerned about Canada's productivity.

As honourable senators know, the only real way we have to increase Canada's standard of living is to increase Canada's productivity performance and thereby increase the real disposable income of each Canadian family. This concerns virtually every Canadian. The real disposable income of every family has been virtually static for decades in this country. Accordingly, productivity should rightfully become a hot button for every segment of our economy.

Productivity is narrowly defined as the measure of the effectiveness with which inputs, such as capital and labour, are transformed into outputs, into goods and services. There are, of course, numerous factors used to measure productivity as outlined painstakingly in our report. It is a well-documented fact that productivity gains have accounted for somewhere between one quarter and one third of our standard of living since World War II.

As recently as last week, a report by the Toronto-Dominion Bank noted that since 2001, output per hour in Canada has increased 2.5 per cent. During the same period, the U.S. measured a whopping 15.9 per cent improvement. While some sectors such as foreign-owned companies that mainly export their goods and services did very well from a productivity standpoint, others, such as construction, lag well behind in the productivity meter, according to the bank's report. The report failed to highlight that productivity in the mining sector was even lower than the construction sector. Overall, this is a dismal, disappointing and dispiriting performance in our view.

While other elements of the economy have demonstrated growth, our productivity performance substantially lags behind the United States, our major trading partner. Regretfully, we are not doing a whole lot better when measured against our major European competitors.

• (1510)

These facts raise two questions. What needs to be done if we are to improve our lacklustre productivity performance, and who needs to do it?

What should the federal government do to help businesses become more productive? What should other orders of government do? What should businesses do to improve their productivity firm by firm? What should educators do? What should civic leaders do? We looked at the issue from all sides.

The committee made major recommendations in two areas, the first dealing with the development and implementation of a comprehensive plan to enhance productivity and competitiveness in Canada, and the second dealing with monitoring and accountability of federal productivity initiatives.

The plan should comprise at least the following seven elements.

Changes should be made to the corporate tax structure to make businesses more competitive in global markets, including a reduction in corporate tax rate, the elimination of the capital federal tax and a realignment of capital cost allowances so the write-down more closely mirrors the useful life of the asset.

Changes should also be made to the personal tax system to keep our best and brightest from moving south for tax breaks, including reduced income for middle-upper-income earners, increased thresholds at which those rates were paid, and a modified capital gains tax to ensure greater consistency with the United States.

As an aside, government has similar tax cuts already planned. We recommend that these tax measures be accelerated. Why, you ask? Because the U.S. companies spend \$1,800 on capital investment per worker more than their Canadian companies spend, and the difference shows every time we measure productivity against our major competitor in the United States. These accelerated tax cuts would help this country close that gap.

Back to the other five elements of the plan that we recommend be implemented: An examination of foreign investment restrictions to remove unnecessary restrictions and find ways to increase direct foreign investment — there is a great competition now for direct foreign investment around the globe; better access to financing at reasonable rates for Canadian businesses, particularly small- and medium-sized businesses, to help them become more productive; continued pursuit of international trade agreements that enhance the ability of Canadian businesses to compete globally; continued action towards the elimination of interprovincial trade barriers; and the development of effective mechanisms for settling international trade disputes and keeping them settled over a longer term.

The committee felt that, taken together, these initiatives would improve the overall climate for business investment in this country, and hence contribute to the country's productivity.

All members of the committee recognized the importance of balanced budgets and debt reduction, and that tax changes have obvious revenue implications. As a consequence, our report recommends that the tax changes be phased in as sources permit but that priority be given to our corporate tax recommendations. We also recommend that the tax measures be fully implemented within five years.

The committee also recognized that the federal government invests a lot of money in improving Canada's productivity. All you have to do to understand what the government invests in productivity is to look at the list of federal productivity initiatives in the appendices of our report. As well, today we have no means of assessing the productivity or the productive effect of this funding. Accordingly, we recommend that the federal government develop a productivity prism through which to assess federal productivity programs and that it set up a forum on productivity that can assess existing and future federal programs and policies to determine and measure their impact on productivity and on research and development. The Department of Industry would report its findings of this prism through this proposed forum on productivity.

The forum on productivity would have two responsibilities. It would be a federal-private sector initiative. It would have an ongoing basis of measuring and reporting on Canada's productivity performance, and of assessing the combined effect of all federal initiatives. In this way, the forum would act as an annual audit on productivity performance and report its findings to Parliament annually. We can then measure the effectiveness and the productive effectiveness of all these new programs, and then measure them against the country's progress on productivity.

In the same way that corporations annually audit their spending and return on investment, the federal government should audit the country's return on our productivity investments. We must understand what is working to improve our productivity and our competitiveness. Those programs that are not working should be redesigned or dropped altogether.

The business community must lead on productivity measures, firm by firm. Educators have a crucial role. In our view, the functional illiteracy rate in the workplace, 42 per cent, continues to be dangerously static and acts as an obstacle to growth in our national productivity. I commend here our colleague Senator Fairbairn, who has worked so arduously to give the rest of our country a wake-up call on this. She must be deeply frustrated that, despite her assiduous efforts, these numbers are just stagnant. Think about it: 42 per cent of our workers are functionally illiterate in the workplace.

The committee has laid down terms of reference to study this fall the interprovincial trade barriers, as we believe the provinces and regions of our country have a direct role in improving productivity. You will see a chart or charts in the study to indicate the various productivity performances of all the regions of all the provinces of the country. You will be surprised. We represent the regions of this country, and we should be concerned when our regions are not as productive as they should be.

As well, we will address later this fall the demographic time bomb that can only be diffused by real growth in productivity and real income growth by a round table study this fall. This study was suggested by our colleague Senator Massicotte, and we will pursue that in the fall.

In closing, honourable senators, let me remind you that your Banking Committee report is a report of all senators from all regions from all parties who sit on the committee. We hope this report will trigger a debate not only in this chamber but in Parliament and in provincial legislatures in all regions, in business and educational circles, among civic leaders and especially in those domestic business sectors that are protected, ineffective and unproductive compared to their foreign competition.

Finally, the committee was pleased with our first experimental round table and its results. As I have said, we will use a similar format for our upcoming examination of issues related to the demographics and obstacles to interprovincial trade amongst our regions.

Finally, let me thank each and every senator, their staff, the clerk, and the staff of the committee, each of whom contributed to produce this study in depth and in record time.

We consider this report to be a wake-up call to all Canadians. We believe all orders of government, at all levels, at all regions, and business, educators and civic leaders, are now listening. The question is, will they act? We will see.

Productivity, honourable senators, is everyone's business.

On motion of Senator Stratton, debate adjourned.

# STUDY ON GOVERNMENT POLICY FOR MANAGING FISHERIES AND OCEANS

INTERIM REPORT OF FISHERIES AND OCEANS COMMITTEE AND MOTION REQUESTING GOVERNMENT RESPONSE ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Comeau, seconded by the Honourable Senator LeBreton, that the third report of the Standing Senate Committee on Fisheries and Oceans, tabled in the Senate on May 19, 2005, be adopted and that, pursuant to rule 131(2), the Senate request a complete and detailed response from the government, with the Minister of Fisheries and Oceans being identified as Minister responsible for responding to the report.—(Honourable Senator Hubley)

Hon. Charlie Watt: Honourable senators, I would like to outline briefly what I have learned over the years that I have participated in the Standing Senate Committee on Fisheries and Oceans. I think it is time we take a good look at what we can do collectively in regard to what I have found, along with the other committee members. I do believe that our coastal communities are at the crisis stage at this point.

• (1520)

Over the years, we have been calling upon various individuals to appear in front of our committee. We have learned from the witnesses that what is happening in the communities is not necessarily a good story. These communities were once very active, healthy and willing to move forward. The well-being of these communities requires that their children be educated.

Honourable senators, if we do not take this matter seriously—that is, what is happening in the communities— I think we will pay for it down the road. I will try to describe, as clearly as possible, why I think we are at a juncture right now where we must make some decisions.

The Government of Canada, through the Department of Fisheries and Oceans, has established a new policy. That policy is questionable. I say that because it takes the economy away from the people who really need it. As I understand it over time, our government — that is, through the Department of Fisheries and Oceans - has made a decision to concentrate more on the economic route rather than the social well-being of these communities. If we continue to move in that direction, we will be facing the phasing-out of these communities. In other words, there will not be anything left in these communities: no schools, no municipal services and no activities. It is important for our government to take that seriously and not allow these communities to disappear. If we moving in the direction of satisfying corporations and individuals who have money and taking the economy away from poor people, I do not think that is the right thing to do. Unfortunately, I think we are heading in that direction. Over time, some of our important coastal communities will gradually disappear. At the same time, I do not think anyone is looking at alternatives. If that economy is taken away from those people, what will replace it so the communities can continue to exist? I am talking about coastal communities in the West, in the East and in the North.

About two weeks ago, our chairman put forward a motion to ask the minister to respond to our interim report as soon as possible. I have some doubts whether the minister will respond on his own without taking the matter to the cabinet level and the Prime Minister. I doubt that very much.

I have been around here for 21 years. When the cabinet makes decisions to go in certain directions, it does not often change its direction. One minister does not have the power to effect a change. However, there is a way that we might be able to enhance the awareness on this matter; that is, to take this matter to the Prime Minister and to the cabinet so that it can become a discussion issue at the cabinet level. Hopefully, the Prime Minister will take this matter a bit further, since he has undertaken to have a dialogue with municipalities, and so on, to deal with their needs. I do not see any difference between that and what is happening to those isolated communities which also have municipal responsibilities.

Honourable senators, it is time we take a good look at the economy of these communities. What are we doing to them? Are we helping them or putting them on the back burner so that one day they will have to be closed down? We are affecting not only the present community but also the future generations. For that reason, it is important for honourable senators to do what they can to elevate this matter so that it will receive greater attention from the cabinet, including the Prime Minister, and so that action will be taken. They need to realize that this issue is important to Canadians. It is important to all of us.

I do not have that much to add other than to indicate my support for the motion that was brought forward. However, that, by itself, probably will not make it. I hope that the Leader of the Government in the Senate will take this matter to the cabinet level and will ensure that they pay attention to the problem and move forward with it because it is very important.

The Hon. the Speaker pro tempore: Are honourable senators ready for the question?

Hon. Senators: Question!

**The Hon. the Speaker** *pro tempore*: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and report adopted.

## STUDY ON NATIONAL SECURITY POLICY

MEETING HELD IN AFGHANISTAN, MAY 16-18, 2005— REPORT OF NATIONAL SECURITY AND DEFENCE COMMITTEE—ORDER STANDS

The Senate proceeded to consideration of the thirteenth report of the Standing Senate Committee on National Security and Defence (study on the national security policy for Canada), tabled in the Senate on June 14, 2005.—(Honourable Senator Kenny)

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, my understanding is that Senator Maheu wanted to make some comments on this report. The report now stands in the name of Senator Kenny. I do not know if Senator Stratton has the intention of making some remarks today or if we can stand this item in the name of Senator Maheu.

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I do not think anyone on our side has the intention of speaking today. I would suggest that the order stand in either Senator Kenny's name or in Senator Maheu's name.

The Hon. the Speaker pro tempore: I may be able to clarify that, Senator Stratton. It was on Item No. 4 that I had asked to speak when you had finished.

Order stands.

# STUDY ON PRESENT STATE AND FUTURE OF AGRICULTURE AND FORESTRY

INTERIM REPORT OF AGRICULTURE AND FORESTRY COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the seventh report (interim) of the Standing Senate Committee on Agriculture and Forestry, entitled, Cattle Slaughter Capacity in Canada, tabled in the Senate on May 19, 2005.—(Honourable Senator Fairbairn, P.C.)

Hon. Grant Mitchell: Honourable senators, I am pleased to rise today to speak on the interim report of the Standing Senate Committee on Agriculture and Forestry entitled, Cattle Slaughter Capacity in Canada. I am fortunate — and I mean this — to be a member of this committee. I applaud the hard work of my honourable colleagues, who spent a great deal of time and effort on this report and on its recommendations, much of it before I became a member that of committee. I would also like to note and recognize the particular focused effort of the committee in the last several days as we tried to finish the report and get it into a condition to report back to the Senate prior to that fateful vote several weeks ago that could have, had it passed, prohibited us from bringing this report to the Senate. It was interesting to see the intensity of the chair of the committee in wanting to get this work into the public arena, and the assistance she received from members of both parties in the committee, who made special effort to meet and finalize this report.

The fallout from the discovery of BSE in Canada's domestic cattle herd has had a significant impact on both the economy and the lives of Canadians, particularly those in my home province of Alberta. I am therefore keenly aware of the importance of this issue and of the timeliness of this report.

• (1530)

[Translation]

I support the recommendations in this report. They complement the strategy announced on September 10, 2004, by the Government of Canada. The aim of this strategy is to re-open

the American border to Canadian cattle, increase our slaughter capacity, sustain the cattle industry and expand access to export markets for both livestock and beef products.

[English]

The committee report further discusses the important issues of the long-term viability of the industry. It seizes this opportunity to restructure in order to protect producers from future crises. In doing so, I believe that it makes a significant contribution.

The committee believes that the evolution of the industry will "reinforce Canada's reputation as a source of safe, high-quality beef" and that "the industry, with governments' support, must make the Canadian packing industry stronger so it can benefit all cattle producers and Canadians across the country." I wholeheartedly agree.

As the report rightly recognizes, long-term viability has much to do with protecting producer groups. The reality is that once the border is reopened, American packers will do everything they can to compete with any nascent Canadian packing industry that has developed during the interim. Market forces may dictate a return to concentration in fewer packing plants and to live animal exports.

However, long-term viability of the cattle industry requires a restructuring, which involves more vertical integration in the packing industry, including more cooperation between cattle producers, packing plants, retailers and secondary processors. Not only would this make producers less vulnerable to future crises, but it would also ensure the long-term supply of Canadian cattle.

The committee recommendations for building additional capacity, which include financing options that make sense to farmers, are a logical and necessary first step. Other recommendations that streamline regulatory processes and barriers to interprovincial trade are equally important. The committee also has good proposals with regard to the ongoing safety of Canadian beef and international marketing of Canadian products. I strongly support these recommendations.

Many of us in this Senate are not farmers; have never farmed. However, we only need to consider this crisis for a moment to understand the devastating impact that it has had on rural farmers, rural farm families and rural regions of our country in general. It is a testimony to the strength, determination and resilience of the Canadian farm industry, and of farmers across this country, that they have been able to withstand the onslaught of this crisis as well as they have. I know that I speak for all senators in recognizing their tremendous effort and the tremendous stress that they have been through. I hope that this report and other initiatives like it that have been undertaken by the Senate will, at least in some way, demonstrate our support of these remarkable farmers and farm families and help them overcome the tremendous impact of this crisis.

On motion of Senator Fairbairn, debate adjourned.

# INTERNATIONAL DEVELOPMENT ASSISTANCE

# MOTION URGING GOVERNMENT TO MEET COMMITMENT—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Andreychuk, seconded by the Honourable Senator Johnson:

That the Senate of Canada calls upon the Government of Canada to establish a specific timetable that will enable Canada to meet its longstanding commitment to provide 0.7 per cent of its Gross National Income as official international development assistance; and

That the Senate of Canada calls upon the Government of Canada to provide funds, within the budgetary process, to achieve this objective at latest by the year 2015, beginning with an immediate one hundred percent increase in official development assistance in the next fiscal year.—(Honourable Senator Dallaire)

Hon. A. Raynell Andreychuk: Honourable senators, this motion has been on the Order Paper now since March 22. I spoke to it later than I normally would have in order to allow everyone to become familiar with it.

This motion is also time-sensitive, and I would like to have it either assented to or voted on this week. I wonder whether the matter can proceed expeditiously this week and whether Senator Dallaire will be able to speak to it so that we can take it to a resolution.

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I had adjourned the debate in the name of Senator Dallaire. He has been actively involved on behalf of the government, both here and overseas, as honourable senators will know.

However, he has an important contribution to make to this debate, which I am sure he will be doing as expeditiously as possible.

Senator Andreychuk: I simply wanted it noted that if the debate does not proceed this week, and should we not be sitting next week, then this motion would be in difficulty. I would like an expression from this chamber, one way or another, before the Gleneagles meeting.

I think many people in Canada look to the Senate for guidance in such matters. I trust that Senator Dallaire will be able to speak to this matter within the next day or two, and that we have a resolution of it on Thursday.

Senator Rompkey: I am not in a position to respond on Senator Dallaire's behalf, nor to speculate on whether or not we will be sitting next week. I would be happy to entertain the notion to discuss the matter next week, depending on what business we do at that time and how expeditiously we can pass bills, and so on. My understanding now is that we would be sitting next week.

Senator Andreychuk: Perhaps I could obtain some clarification from the Honourable Deputy Leader of the Government in the Senate as to our agenda. I am assuming that, with respect to the routine matters, I cannot count on knowing whether or not we will be here next week. That is why I would appreciate the resolution of the matter by this Thursday.

**Senator Rompkey:** As of now, it is very difficult to see how we could get through the business that is before us this week.

Order stands.

(1540)

#### **BUSINESS OF THE SENATE**

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I move adjournment of the Senate.

Senator Kinsella: Ouestion! No debate.

The Hon. the Speaker: Honourable senators, a motion for adjournment is in order at any time and is not debatable.

It is moved by the Honourable Senator Stratton, seconded by the Honourable Senator LeBreton, that the Senate do now adjourn. Is it your pleasure, honourable senators, to adopt the motion?

Some Hon. Senators: No.

The Hon. the Speaker: Those in favour of the motion to adjourn will please say "yea."

Some Hon. Senators: Yea.

The Hon. the Speaker: Those opposed to the motion will please say "nay."

Some Hon. Senators: Nay.

The Hon. the Speaker: I believe the "nays" have it.

Senator Stratton: I do not believe it.

Hon. Bill Rompkey (Deputy Leader of the Government): I wanted to inform honourable senators that we have been attempting to arrange Royal Assent on Bill C-43 and other bills this afternoon. Conversations with the people who are involved in the process have taken place and I believe there is agreement to proceed with Royal Assent on Bill C-43 and other bills. Therefore, I would move that the Senate do now adjourn during pleasure to reassemble at the call of the chair at approximately 7:30 p.m.

The Hon. the Speaker: Does Senator Kinsella wish to comment? We could treat this as house business.

# POINT OF ORDER

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I rise on a point of order. We just dealt with a motion to adjourn. How can we deal with another motion to adjourn? "Adjourn" means adjourn.

Hon. Bill Rompkey (Deputy Leader of the Government): This motion essentially suspends this sitting of the Senate to reassemble at the call of the chair. We have done this any number of times when we have business that we wish to deal with later.

When the Senate resumes, Bill C-43 would receive Royal Assent and the house would receive any messages from the Commons that might be coming to this place.

Senator Kinsella: Honourable senators, the fact of the matter is the time for the honourable senator to move that motion was before the house had finished the Order Paper. In other words, the Senate would suspend to come back and resume business. Otherwise, the word "suspend" does not mean anything. We would have to suspend from a terminus a quo to a terminus ad quem, as they say. There is no business to suspend because the Order Paper has been completed. The error that the honourable senator made was to not make that motion a little sooner.

Senator Rompkey: Honourable senators, it is impossible to move a motion before the Orders of the Day are complete. I rose as soon as I could to move the motion that is entirely in order. I could not move it before the completion of the Orders of the Day, obviously. This is a continuation of the Orders of the Day and the Senate suspends to the call of the chair because there is business to do later. My motion is entirely in order and has been moved any number of times.

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, if I may, I thought there was a motion to adjourn the Senate. Three of us stood on this side for a standing vote, so that is the first item of business.

The Hon. the Speaker: Honourable senators, for clarification, we are now on a point of order raised by Senator Kinsella, which is still open. A motion by Senator Stratton to adjourn the Senate was put and was defeated, and so the house is still in session.

Senator Rompkey then rose to put a motion to adjourn during pleasure to the call of the chair, which would require unanimous consent to put because it is not on the Order Paper, although leave of the Senate could be requested. However, if I remember correctly, Senator Rompkey wanted to request leave to put a motion.

Senator Rompkey: I put a motion that does not require unanimous consent. Rather, the procedural motion has to be voted on and agreed to or defeated because it does not require unanimous consent. Such a motion can be moved in the Senate at any time and must be voted on and passed or defeated.

The Hon. the Speaker: Honourable senators, we are on the point of order of Senator Kinsella. I believe that the reasoning of the point of order is that the motion was not timely. Are there other comments on the point of order? I will go to Senator Kinsella for a final comment to conclude the matter, although I may take a few moments to dispose of it.

Senator Rompkey: Honourable senators, in his last remarks His Honour indicated that the Senate is still in session. The motion to adjourn was defeated and so the house is still in session. Therefore, the motion to adjourn during pleasure was moved to reassemble at the call of the chair later today.

The Hon. the Speaker: Are there final comments, Senator Kinsella, before I determine the point of order?

Senator Kinsella: No. My point has been sufficiently made. The motion is to adjourn to the call of the chair. The only difficulty is that the motion is not timely because the chair is unable to know when to call the house back. There is no terminus ad quem. How would His Honour know when to call the house back? There is no order of the house on the Order Paper. We have completed all orders of the house.

The Hon, the Speaker: I will give Senator Kinsella another opportunity. I will see Senator Robichaud on the point of order.

[Translation]

Hon. Fernand Robichaud: Honourable senators, we need only refer to what was said here earlier, when some senators from the opposition wanted Bill C-43 to receive Royal Assent today and wanted arrangements to be made to ensure it did. That is exactly what the Deputy Leader of the Government has done.

As for adjourning during pleasure, the precedent has been set numerous times; even if we have completed the Order Paper, this is a procedural motion that is in order. We may adjourn during pleasure in order to receive letters from Rideau Hall indicating that Royal Assent has been granted. So I do not see why we could not proceed in that fashion today.

[English]

The Hon. the Speaker: Honourable senators, I will take a moment to reflect on what I have heard on the point of order because it must be dealt with now. Is it agreed that I leave the chair and return in 10 minutes?

Hon. Senators: Agreed.

The sitting of the Senate was suspended.

• (1620)

The sitting of the Senate resumed.

The Hon. the Speaker: I gather that honourable senators are ready for a ruling on the point of order raised by Senator Kinsella.

I thank honourable senators for their contributions to the point of order. As I understand it, the point of order is with regard to whether the motion of Senator Rompkey to adjourn the sitting to the call of the chair is in order. Senator Rompkey explained, in the course of putting the motion, that the purpose for this suspension is to receive letters confirming Royal Assent, which are expected later this day.

Senator Kinsella's position is that a motion to adjourn to the call of the chair would be in order only if there was further business to conduct today.

The real question, as I see it, honourable senators, is whether this longstanding practice requires leave, whether it is put in the form of a motion, as Senator Rompkey did in this case, or whether there is request for the unanimous agreement of the Senate to do something such as adjourn to the call of the chair.

In the case of a motion, I have looked at a rule that might have application, that being rule 59, which says:

Notice is not required for:

It then lists a number of steps that can occur in the Senate by way of a motion which, because of rule 59, do not require notice. The only subsection of rule 59 that might apply to this situation would be (18), which says:

Other motions of a merely formal or uncontentious character.

I will not rule on whether the motion is debatable, but as to whether it is contentious, I think that is evident in that to adjourn to the call of the chair would require a request for agreement of the house by way of a vote. Therefore, I do not believe this matter falls under rule 59(18).

Where does this leave us? I have, with the assistance of the table officers, tried to find precedents for this procedure which is very common in our proceedings. As I indicated at the beginning of my remarks, this has been done in two ways. I will give an example of the first way from page 1243 of the *Journals of the Senate* of April 22, 1997. The Journals entry reads:

At 4:15 p.m. the sitting was adjourned during pleasure to resume at the call of the bell at approximately 6:30 p.m.

It could have said "the call of the chair," but it was a time specific, and I do not, for purposes of this ruling, distinguish between a time certain and the call of the chair.

I do take, however, from what I have read in the Journals, that, either as a result of no objection being made or by asking for and receiving leave, leave was given to take this step.

The other way in which we do this is the way in which Senator Rompkey has proceeded on this occasion. I draw the attention of honourable senators to the *Journals of the Senate* for May 12 of this year, page 901. The recital is clear. It reads:

With leave of the Senate,

The Honourable Senator Robichaud, P.C., moved, seconded by the Honourable Senator Losier-Cool:

That the Senate do now adjourn at pleasure to reassemble at the call of the chair and that the bells ring for five minutes.

I repeat, I do not distinguish between whether it is to the call of the chair, in the chair's discretion, provided it is within our sitting times, or to a time certain. Our practice, honourable senators, is clear. Leave is required to proceed with the motion that was put by Senator Rompkey.

I assume leave was not granted, but that can be clarified very easily. However, my ruling is that the proceeding Senator Rompkey has initiated requires leave, that is, to put a motion to the chamber to adjourn for a time certain or to the call of the chair.

Senator Rompkey: Honourable senators, I request leave of the house to suspend this sitting now to the call of the chair in order to receive Royal Assent on Bill C-43, as was requested by the official opposition earlier this day.

The Hon. the Speaker: Is leave granted, honourable senators?

Senator Stratton: We agree with the motion provided that Royal Assent is received before 6 p.m. today.

The Hon. the Speaker: Leave is granted, honourable senators, to proceed with the motion to suspend to a time certain, which varies from the proposal of Senator Rompkey. We have determined in this place that leave can be conditionally granted. I am familiar with those rulings and need not refer back to them.

Accordingly, that motion can be put. Shall I put the motion, honourable senators?

Hon. Senators: Agreed.

The Hon. the Speaker: It is a debatable motion.

**Senator Rompkey:** Honourable senators, we cannot agree to a condition of time because I have no idea when Royal Assent will be available. We need agreement to suspend to the call of the chair, with no conditions.

Senator Stratton: Honourable senators, has the chamber received notice of Royal Assent at all? This chamber has been told only informally that we are receiving Royal Assent. Normally, some notice is given. We have been told only by the government side that Royal Assent will indeed take place.

Have you, Your Honour, been informed of such an event? If so, it should be at a time certain, as it always is.

The Hon. the Speaker: I anticipated this and have cast my mind back. Royal Assent ceremonies in the chamber are always preceded by a letter from Her Excellency indicating the time for Royal Assent. The letter may, as well, designate her representative for that purpose.

However, it is equally in keeping with our practice that Royal Assent is done at Rideau Hall or at the office of Her Excellency's designated representative and is not preceded by a letter. That is our practice.

Honourable senators, we do not yet have the necessary leave for me to put a motion. Perhaps the house leaders can agree on a motion to be put.

**Senator Stratton:** In the discussion we have had on Royal Assent, it was said that Royal Assent would occur at five o'clock. We expect that to be the motion, although we are quite willing to extend that to six o'clock. That is what was put forward, and we accepted that.

Senator Rompkey: Honourable senators, I have had no indication from Government House as to when Royal Assent will take place. It is a question of the availability of the Governor General. I do not know what her schedule is. We have to go to Government House; she has to be available; we have to get the letter signed; and we have to come back. I cannot give a specific time, honourable senators.

The Hon. the Speaker: We have only conditional leave for Senator Rompkey's motion. I have no information to impart that you could rely on. Therefore, we are stuck with conditional leave.

(1630)

Senator Stratton: In the spirit of cooperation, we understood that we had an agreement. Whether it was right or wrong, my distinct impression was that that agreement was for five o'clock today. However, we have since agreed to six o'clock, and we are quite willing and prepared to extend that to 6:30. Surely to goodness something can be done by that time.

Senator Rompkey: Do I hear seven?

Senator Stratton: Yes.

The Hon. the Speaker: Honourable senators, having been to many auction sales, I think that I could now ask: Is leave granted for Senator Rompkey's motion to adjourn to the call of the chair at any time prior to 7 p.m.?

Senator Rompkey: Would there be agreement to say approximately seven?

Some Hon. Senators: No, no.

The Hon. the Speaker: Honourable senators, I look to the chamber. Is leave granted for me to put this motion?

Senator Rompkey: Honourable senators, we need to have an unconditional agreement to come back at the call of the chair, but we have no idea when this will be. We cannot hold to certain times. I said just a moment ago that we have no idea when the Governor General is available, when she will sign and, therefore, when the notice will come back. I therefore cannot guarantee that it will be by seven o'clock.

If there is no agreement, honourable senators, to an unconditional return, I move that the Senate now adjourn.

The Hon. the Speaker: It is moved by the Honourable Senator Rompkey, seconded by the Honourable Senator Losier-Cool, that the Senate do now adjourn. Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

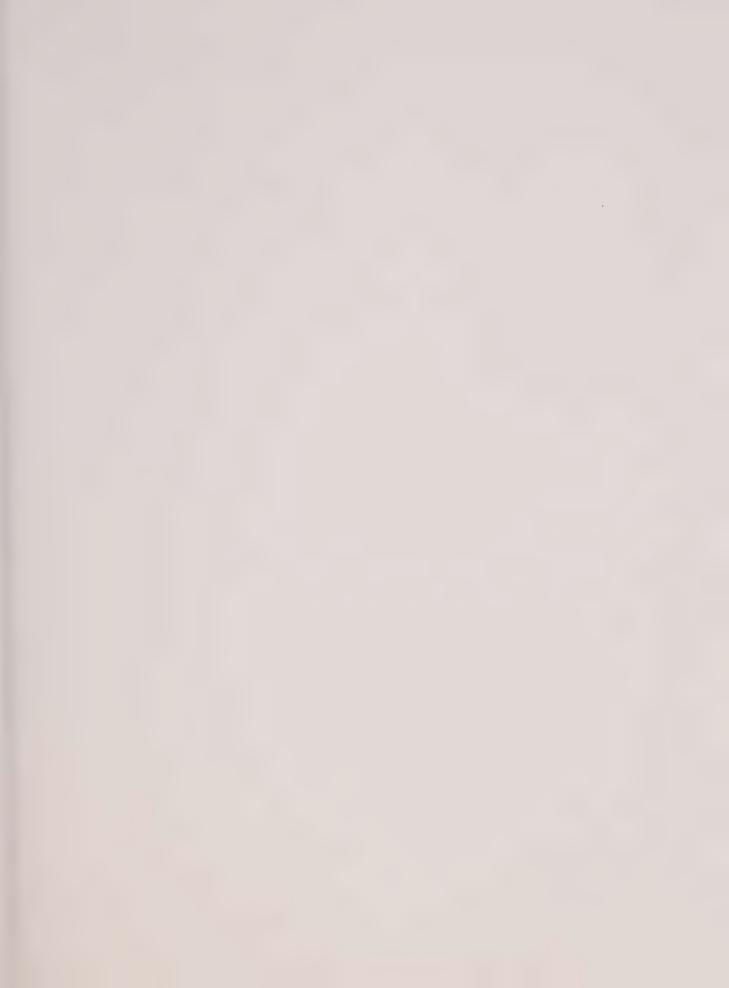
The Senate adjourned until Wednesday, June 29, 2005, at 1:30 p.m.

# **CONTENTS**

# Tuesday, June 28, 2005

PAGE	PAGE
ENATORS' STATEMENTS  A shibits on Italy Ion. Marisa Ferretti Barth	National Defence Gagetown—Testing of Agent Orange and Agent Purple— Timing in Relation to Stated Position on Vietnam War. Question by Senator Tkachuk. Hon. Bill Rompkey (Delayed Answer)
Julticulturalism Day       Ion. Donald H. Oliver     1595       Ion. Shirley Maheu     1596       The Honourable Isobel Finnerty	Social Development Prince Edward Island—Tignish Region— Financial Support for School Question by Senator Comeau. Hon. Bill Rompkey (Delayed Answer)
ributes on Retirement.  Ion. Consiglio Di Nino	Public Safety and Emergency Preparedness Alberta—Response to Flooding. Question by Senator Di Nino. Hon. Bill Rompkey (Delayed Answer)
lealth San on Internet Bulk Prescription Drug Exports. Hon. Mac Harb	Canada-United States Relations Department of State—2005 Report on Trafficking in Persons. Question by Senator Di Nino. Hon. Bill Rompkey (Delayed Answer)
ROUTINE PROCEEDINGS  Sudget Implementation Bill, 2005 (Bill C-43) Report of Committee. Ion. Donald H. Oliver	National Defence Gagetown—Testing of Agent Orange and Agent Purple. Question by Senator Meighen. Hon. Bill Rompkey (Delayed Answer)
Bill to Authorize Minister of Finance to Make Certain Expenditures (Bill C-48) First Reading. Hon. Art Eggleton	Hon. Bill Rompkey (Delayed Answer)
Legal and Constitutional Affairs Committee Authorized to Meet During Adjournment of the Senate. Hon. Lise Bacon	Health Public Health Agency—West Nile Virus and Avian Flu— Efforts to Control and Contain Spread. Question by Senator Keon. Hon. Bill Rompkey (Delayed Answer)
QUESTION PERIOD	Statistics Act (Bill S-18) Bill to Amend—Message from Commons
Business of the Senate Royal Assent of Budget Implementation Bill, 2005. Hon. Ethel Cochrane	ORDERS OF THE DAY  Canada Border Services Agency Bill (Bill C-26)
Natural Resources New Brunswick—Financial Terms for Refurbishing Point Lepreau Nuclear Power Plant. Hon. Noël A. Kinsella	Second Reading—Order Stands. Hon. Bill Rompkey
Hon. Jack Austin	Report of Committee Adopted. Hon. Joyce Fairbairn
Hon. Jack Austin	Bill to Amend—Report of Committee Adopted. Hon. Jerahmiel S. Grafstein 1605 Hon. Madeleine Plamondon 1606 Third Reading
Lobbyist Contingency Fees.  Hon. David Tkachuk	Hon. Madeleine Plamondon
Delayed Answers to Oral Questions Hon. Bill Rompkey	Debate Adjourned. Hon. Jerahmiel S. Grafstein

PAGE	PAGI
Study on Government Policy for Managing Fisheries and Oceans Interim Report of Fisheries and Oceans Committee and Motion Requesting Government Response Adopted. Hon. Charlie Watt	International Development Assistance Motion Urging Government to Meet Commitment— Order Stands. Hon. A. Raynell Andreychuk
Study on National Security Policy Meeting held in Afghanistan, May 16-18, 2005—Report of National Security and Defence Committee—Order Stands. Hon. Bill Rompkey	Business of the Senate Hon. Terry Stratton
Study on Present State and Future of Agriculture and Forestry Interim Report of Agriculture and Forestry Committee— Debate Adjourned. Hon. Grant Mitchell	Point of Order         161           Hon. Noël A. Kinsella         161           Hon. Bill Rompkey         161           Hon. Terry Stratton         161           Hon. Fernand Robichaud         161









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CANADA

# Debates of the Senate

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38th PARLIAMENT

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OFFICIAL REPORT (HANSARD)

Wednesday, June 29, 2005

THE HONOURABLE DANIEL HAYS SPEAKER

# **CONTENTS**

(Daily index of proceedings appears at back of this issue).

Debates and Publications: Chambers Building, Room 943, Tel. 996-0193

## THE SENATE

Wednesday, June 29, 2005

The Senate met at 1:30 p.m., the Speaker in the Chair.

Prayers

[Translation]

# ROYAL ASSENT

The Hon. the Speaker informed the Senate that the following communication had been received:

#### RIDEAU HALL

June 28, 2005

Mr. Speaker,

I have the honour to inform you that the Right Honourable Adrienne Clarkson, Governor General of Canada, signified royal assent by written declaration to the bills listed in the schedule to this letter on the 28th day of June, 2005, at 5:30 p.m.

Yours sincerely,

Curtis Barlow
Deputy Secretary
Policy, Program, Protocol

The Honourable
The Speaker of the Senate
Ottawa

Bills Assented to Tuesday, June 28, 2005:

An Act to implement certain provisions of the budget tabled in Parliament on February 23, 2005 (Bill C-43, Chapter 30, 2005).

An Act to amend the Statistics Act (Bill S-18, Chapter 31, 2005).

[English]

# SENATORS' STATEMENTS

# INALIENABLE RIGHT OF ABORIGINAL SELF-GOVERNMENT

Hon. Gerry St. Germain: Honourable senators, the government's policy on Aboriginal self-government, the so-called "inherent right policy," is not about rights and not about self-government: it is about implementation and negotiation. It focuses on reaching agreements on how self-government will be exercised. It works to prevent litigation or even a legal definition of the inherent right it acknowledges may be enforceable through the courts.

In the negotiation process, government decides who comes to the table as well as the topics, the terms, the time-frame and the costs. Since the express purpose of the self-government branch is to represent Canada in the negotiations on self-government agreements, negotiation, as practiced, makes adversaries of the government and the people it should protect. Negotiation puts self-government on the table and if it is on the table, it can be bargained away.

Canada's practice has drawn the attention and the disapproval of the Special Rapporteur of the United Nations Commission on Human Rights who recommends:

That from a human rights perspective, it should be clearly established in the text and spirit of any agreement between an Aboriginal people and a government in Canada, and supported by relevant legislation, that no matter what is negotiated, the inherent and constitutional rights of Aboriginal peoples are inalienable and cannot be relinquished, ceded or released, and that Aboriginal peoples should not be requested to agree to such measures in whatever form or wording.

Legislation giving force to current negotiated agreements does not enforce self-government; it protects the bargain. Negotiation does not help Aboriginal peoples to navigate the waters we sail together; it narrows the channel and charges a toll.

The negotiation process has kept important cases away from the courts while creating litigation as Aboriginal peoples try to practice their inherent rights to self-government and make the government comply with earlier court decisions.

The Special Rapporteur suggests legislation, in particular the First Nations Government Recognition Bill, Bill S-16, as a possible alternative.

Though denied full autonomy, Canada's Aboriginal peoples continue to build government structures and recover Aboriginal law. The question is, what will the Canadian government do on this basic question of rights?

Negotiations do not create economic stability, stop teen suicide or heal the great rifts caused by the Indian Act. All relevant studies and, more importantly, the constant calls of the people, are for Canada to live up to its claims to ardently support self-government and to stop negotiating away this fundamental human right.

# ORGANIZATION FOR SECURITY AND CO-OPERATION IN EUROPE

Hon. Jerahmiel S. Grafstein: Honourable senators, tomorrow, the fourteenth annual session of the Parliamentary Assembly of the Organization for Security and Co-operation in Europe will meet in Washington, D.C. The OSCE, as an international

parliamentary and government organization, emerged from the Helsinki Process in 1975. It is composed of 55 states from Vancouver to Vladivostok. Now it has become the world's largest organization actively dedicated to human rights, democratic rights, economic development and security in the OSCE region.

The Canadian delegation will be led by the Honourable Senator Di Nino. I am privileged to serve as senior officer for the Parliamentary Assembly composed of parliamentarians from all 55 states representing all parties. I also serve as the Head of the Liberal, Democratic and Reform Political group there. This is the first time that the OSCE Parliamentary Assembly will meet in North America and augurs to be the largest and best attended in its history. The three standing committees have been hard at work all year preparing draft reports and resolutions for consideration by the assembly as a whole.

Two weeks ago, in the historic city of Cordoba, Spain, the OSCE convened an equally historic Conference on Anti-Semitism and Other Forms of Intolerance. I was privileged to attend and speak to the role of parliamentarians in combating anti-Semitism, the oldest form of discrimination. I was pleased that all of our ideas and recommendations were included in the final text of the declaration.

#### • (1340)

This conference is a follow-up to a series of conferences attended by parliamentarians, held in all regions of the OSCE in the last five years, including Berlin, Rome, Paris, Vienna, Copenhagen, Oporto, Brussels, Rotterdam, Maastricht, Washington and others.

The conference culminated with the Cordova Declaration Against Anti-Semitism and Other Forms of Intolerance, which was adopted without objection by all 55 countries, including Canada.

Later today, I intend to table the Cordova Declaration on Anti-Semitism and Other Forms of Intolerance as a motion for consideration by the Senate and then by the Senate Committee on Human Rights as mandated by the text of the Cordoba declaration.

Fighting the war against anti-Semitism and other insidious forms of intolerance is the work of every parliamentarian. Now is the time for the Senate to do its work.

#### LOVE AFRICA

Hon. Donald H. Oliver: Honourable senators, I am pleased to rise today to inform honourable senators of a recently created not-for-profit grassroots organization of Nova Scotians who are working together to raise funds for the Stephen Lewis Foundation to help the millions of children orphaned by the AIDS crisis in Africa. The organization is called Love Africa.

Love Africa is mobilizing every school, church, business and community organization in and around Cape Breton, Nova Scotia, to raise the funds necessary to assist orphans and other AIDS-affected children in Africa in every possible way, from the payment of school fees to the provision of food and housing.

Love Africa encourages Nova Scotia youth to give what they have for Africa's orphans. The Boularderie Elementary School in Boularderie East, Nova Scotia, for instance, recently held the very first "Walk for Africa," raising \$1,000, and the A.G. Research Inc., the biggest IT services company in Eastern Nova Scotia, agreed to provide office space for Love Africa free of charge.

The goal is to raise \$1 million for Africa's orphans. In less than one year, Love Africa has already raised \$140,000.

On August 13, Love Africa will hold its most ambitious project to date. In the spirit of Live Aid and Band-Aid, Cape Breton musicians will take up instruments to help Africa's orphans by holding a 12-hour outdoor concert on Sydney's waterfront. The concert is being organized by legendary Cape Breton singer Fred Lavery. The concert's steering committee consists of seven members: 2003 Nova Scotia Business Hall of Fame Laureate Irving Schwartz, former provincial NDP leader Helen MacDonald, Claudia Yakimchuk, Greg Rathford, Jeanne Ferguson, and Cape Breton folksinger Eric Whyte.

The concert lineup represents an eclectic mix of Atlantic Canada's finest musical performers, specializing in a mixture of Cape Breton, Scottish and Irish musical genres.

Cape Breton University will present Stephen Lewis with an honorary degree during the concert festival, and CBC Radio will be recording the entire event to play on local and regional shows throughout the province.

All money raised from the concert will be donated directly to the Stephen Lewis Foundation, which will use the proceeds for education, health care, infrastructure and other capacity-building needs for orphans in Africa.

Honourable senators, Love Africa not only exemplifies the giving spirit of my province, it also illustrates in a practical and significant way the growing concern of Canadians who want to end poverty in Africa.

#### **MONGOLIA**

# INAUGURATION OF NEW PRESIDENT

Hon. Joseph A. Day: Honourable senators, today I would like to talk to you about Mongolia. I would like you to think about Siberian Russia and the part of China north of Beijing, and also think of the home base of the great Genghis Khan, from which he extended his empire to Asia and Eastern Europe.

Last week was the inauguration of the new President of Mongolia, Mr. Nambaryn Enkhbayar. I was honoured to be in Ulan Bator to participate in the ceremonies on behalf of the people of Canada and the Canada-Mongolia Parliamentary Friendship Group.

It is wonderful to witness Mongolia's rapid progression from a communist nation to a pluralistic democracy. In 1990, the democratic reform process began in Mongolia with the fall of the Soviet Union. This process led to a new constitution in

February of 1992. In addition to establishing Mongolian independence, the new constitution restructured the legislative branch of government, creating a multi-party system, a unicameral legislature and a presidency.

In June of 1993, the first popular presidential election was held. Regular elections have been held every four years since, with orderly transitions in the presidency being respected.

Mongolia is strategically important for many reasons, honourable senators, but the two most often cited are its mineral deposits and its geographic location between Russia and China. It is also close to other countries in the east of which honourable senators will be aware.

Located in Mongolia are rich deposits of copper, coal, gold and many other minerals and metals. In fact, mining represents more than 40 per cent of Mongolia's export earnings and has become its largest industry. Canadian mining companies have invested more in Mongolia than any of the other G8 countries. These Canadian mining companies have trained large numbers of Mongolians and continue to do so. In addition, they have made substantial contributions to local public services in Mongolia, such as the creation of schools and hospitals. To many Mongolians, they are model corporate citizens and they are a welcome economic partner.

Mongolia is also of interest to Canada due to its unique location, as I have indicated, between Russia and China, and close to North Korea.

China's resource needs are such that Mongolia has a natural wealthy and willing market just south of its border, similar to Canada. However, Mongolia wishes to replicate the Canadian strategy of purposely building political and economic links with a wide variety of nations throughout the world in order to avoid becoming entirely dependent on their larger neighbours to the north and south. They call this their "third neighbour policy."

Honourable senators, Mongolia's evolution as a democracy is a model and is deserving of our continued support. I urge you to keep that country in mind as it builds its democracy.

# **ROUTINE PROCEEDINGS**

#### SPEAKER'S DELEGATION TO JAPAN

# REPORT TABLED

Hon. Daniel Hays: Honourable senators, I request leave to table a report that covers the information relating to a Speaker-led visit at the invitation of President Oogi of the House of Councillors of Japan to that country. The visit took place May 19 to 24 of this year.

**The Hon. the Speaker** *pro tempore*: Is leave granted, honourable senators?

Hon. Senators: Agreed.

# CRIMINAL CODE CULTURAL PROPERTY EXPORT AND IMPORT ACT

#### BILL TO AMEND—REPORT OF COMMITTEE

Hon. Peter A. Stollery, Chair of the Standing Senate Committee on Foreign Affairs, presented the following report:

Wednesday, June 29, 2005

The Standing Senate Committee on Foreign Affairs has the honour to present its

#### SIXTH REPORT

Your Committee, to which was referred Bill S-37, An Act to amend the Criminal Code and the Cultural Property Export and Import Act, has, in obedience to the Order of Reference of Wednesday, June 15, 2005, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

# PETER A. STOLLERY Chair

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Baker, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

# RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

FIFTH REPORT OF COMMITTEE PRESENTED—NUMBERING OF SENATE BILLS

Hon. David P. Smith, Chair of the Standing Committee on Rules, Procedures and the Rights of Parliament, presented the following report:

Wednesday, June 29, 2005

The Standing Committee on Rules, Procedures and the Rights of Parliament has the honour to present its

## FIFTH REPORT

Pursuant to its order of reference from the Senate dated June 16, 2005, your Committee is pleased to report as follows.

1. On June 16, 2005, the Senate adopted the following motion that had been introduced by Senator Rompkey:

That, in order to facilitate references to the various classes of bills introduced in the Senate, namely government bills, public bills or private bills presented by Senators, the Standing Committee on Rules, Procedures and the Rights of Parliament be authorized to examine and report upon establishing a new system of numbering for Senate bills.

- 2. On June 21, 2005, your Committee heard from Dr. Gary O'Brien, Deputy Clerk and Principal Clerk of the Senate, and Mr. Charles Robert, Principal Clerk, Procedure, of the Senate.
- 3. The Senate's current practice is to assign numbers sequentially to bills following their presentation. In other words, bills introduced in the Senate are numbered consecutively, with no indication as to whether they are government bills, Senate public bills, or private bills.
- 4. As Dr. O'Brien explained, Senate bills were originally designated by letters. This system remained until 1958, when Senate bills began to be identified numerically and divorce bills were distinguished from non-divorce bills. The lack of differentiation between different types of bills stems from the time when there was no procedural distinction between bills introduced by the Government or individual Senators.
- 5. In the House of Commons, since 1974, Government bills are numbered consecutively from C-2 to C-200, while private Members' bills are numbered consecutively from C-201 to C-1000. Although private bills are rarely introduced in the House, they are numbered beginning at C-1001.
- 6. The proposal is to develop a new numbering system for Senate bills. The classification of bills would avoid ongoing confusion, facilitate references within Parliament and among the public, and clarify the applicable procedures.
- 7. Your Committee agrees that a new system of numbering Senate bills would be appropriate. After consideration of various options, including the practices in other legislatures, your Committee believes that the simplest solution would be to adopt a numbering system that parallels that of the House of Commons. (Bill S-1 would continue to be the *pro forma* bill that is introduced at the beginning of each session of Parliament.)

Your Committee recommends that, beginning with the next session of Parliament, the Senate adopt a system for numbering Senate bills as follows:

S-2 to S-200 will be reserved for bills introduced by the Government;

S-201 to S-1000 will be reserved for Senate public bills introduced by individual Senators; and

S-1001 and up will be reserved for private bills.

Respectfully submitted,

# DAVID P. SMITH Chair

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Smith, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

• (1350)

# PERSONAL WATERCRAFT BILL

# REPORT OF COMMITTEE

Hon. Ethel Cochrane, Deputy Chair of the Standing Senate Committee on Energy, the Environment and Natural Resources, presented the following report:

Wednesday, June 29, 2005

The Standing Senate Committee on Energy, the Environment and Natural Resources has the honour to present its

#### TENTH REPORT

Your Committee, which was referred Bill S-12, An Act concerning personal watercraft in navigable waters, has in obedience to the Order of Reference of Tuesday, June 1, 2005, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

# ETHEL COCHRANE Deputy Chair

The Hon. the Speaker: Honourable senators, when shall this bill be read the third time?

On motion of Senator Cochrane, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

## CIVIL MARRIAGE BILL

#### FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-38, respecting certain aspects of legal capacity for marriage for civil purposes.

Bill read first time.

The Hon. the Speaker: Honourable senators, when shall this bill be read the second time?

Senator St. Germain: Never!

Some Hon. Senators: Now!

On motion of Senator Joyal, bill placed on the Orders of the Day for second reading two days hence.

#### **BUSINESS OF THE SENATE**

Hon. Marcel Prud'homme: Your Honour, I know we have rules stating that second reading will take place two days hence, but I propose that we proceed with debate at the next sitting of the Senate so that we can accelerate the debate.

Some Hon. Senators: Agreed!

Some Hon. Senators: No!

Senator Robichaud: Move it into committee.

Senator St. Germain: We are going to keep you here all summer! I will be here, too!

The Hon. the Speaker: I take it that this intervention is a point of information or order, which, under our rules, can only be raised following Routine Proceedings and before Orders of the Day. I will see Senator Prud'homme at that time.

## SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO MEET DURING ADJOURNMENT OF THE SENATE

Hon. Wilbert J. Keon: Honourable senators, I give notice that at the next sitting of the Senate, I will move:

That the Standing Senate Committee on Social Affairs, Science and Technology be empowered, in accordance with rule 95(3), to sit from September 19 to 23, 2005, even though the Senate may then be adjourned for a period exceeding one week.

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO STUDY PARKS CANADA HISTORIC SITES

**Hon. Serge Joyal:** Honourable senators, I give notice that at the next sitting of the Senate, I will move:

That the Standing Senate Committee on Social Affairs, Science and Technology study the following and report to the Senate within three months after the adoption of this motion:

- 1. The designation by the Historic Sites and Monuments Board of Canada of the Montreal residence of Louis Hippolyte Lafontaine, Prime Minister of United Canada from 1841-42 and 1848-51, located on Overdale Street as a National Historic Monument to be purchased and managed by Parks Canada;
- 2. The creation of an Interpretation Centre at this Lafontaine residence for the purpose of promoting knowledge about the development of Responsible Government in Canada including the part played by Robert Baldwin, co-Prime Minister and Attorney General of Upper Canada, Joseph Howe from Nova Scotia, Charles Fisher from New Brunswick, and Lord Elgin, then Governor General of United Canada;

3. The role of Parks Canada in establishing a network of historic sites across the country to promote an understanding of our parliamentary democracy and the contributions made to this end by various Prime Ministers throughout our history.

## RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO STUDY APPLICATION OF CHARTER OF RIGHTS AND FREEDOMS IN THE SENATE

Hon. A. Raynell Andreychuk: Honourable senators, I give notice that at the next sitting of the Senate, I will move:

That the Senate refer to the Standing Committee on Rules, Procedures and the Rights of Parliament the issue of developing a systematic process for the application of the Charter of Rights and Freedoms as it applies to the Senate.

# **HUMAN RIGHTS**

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO STUDY ORGANIZATION FOR SECURITY AND CO-OPERATION IN EUROPE CORDOBA DECLARATION ON ANTI-SEMITISM AND OTHER FORMS OF INTOLERANCE

Hon. Jerahmiel S. Grafstein: Honourable senators, I give notice that on Wednesday, July 6, 2005, I will move:

That the following declaration adopted at the 2005 OSCE Conference on Anti-Semitism and on other Forms of Intolerance, in Cordoba, Spain, be referred to the Standing Senate Committee on Human Rights for consideration and report no later than 16 February, 2006:

#### Cordoba Declaration

Based on consultations it is concluded that OSCE participating States,

Inspired by the spirit of Cordoba, the City of Three Cultures;

Recognising that respect for human rights and fundamental freedoms, democracy and the rule of law is at the core of the OSCE comprehensive concept of security;

Reaffirming that acts of intolerance and discrimination pose a threat to democracy and, therefore, to overall security in the OSCE region and beyond;

Recalling that participating States have committed themselves to ensure human rights and fundamental freedoms to everyone within their territory and subject to their jurisdiction without distinction of any kind and will therefore provide to all persons equal and effective protection of law;

Recalling the decisions of the OSCE Ministerial Councils at Porto (MC.DD/6/02), Maastricht (MC.DEC/4/03) and Sofia (MC.DEC/12/04), and the need to promote implementation of commitments and operational follow up to the work started in 2003 and continued with the OSCE Conference on Anti-Semitism, (Berlin on 28 and 29 April 2004), the OSCE Meeting on the Relationship Between Racist, Xenophobic and anti-Semitic Propaganda on the Internet and Hate Crimes, held in Paris on 16 and 17 June 2004, and the OSCE Conference on Tolerance and the Fight against Racism, Xenophobia and Discrimination, (Brussels on 13 and 14 September 2004);

Acknowledging that the purpose of this Conference was to analyze the status of implementation of these commitments and operational follow up at the national level throughout the OSCE region, highlighting progress and best practices with respect to said implementation, including, but not limited to, promotion of interfaith and intercultural dialogue, and the areas of monitoring, data collection, legislation, law enforcement, education and the media;

Commemorating the sixtieth anniversary of the end of the battles of World War II and mourning the tens of millions of people who lost their lives as victims of the war, the Holocaust, occupations and acts of repression, and condemning all forms of ethnic cleansing and recalling our commitments to take every possible action to ensure that attempts to commit genocide are prevented today and in future as well as our commitments to combat these threats, including through the OSCE, and our rejection of any attempts to justify them;

- Recall the importance of promoting and facilitating open and transparent interfaith and intercultural dialogue and partnerships towards tolerance, respect and mutual understanding and ensuring the freedom of the individual to profess and practice a religion or belief, alone or in community with others through transparent and non-discriminatory laws, regulations, practices and policies;
- 2. Condemn without reserve racism, xenophobia, anti-Semitism, and other forms of intolerance and discrimination, including against Muslims and Christians, as well as harassment and incitement to hate crimes motivated, inter alia, by race, colour, sex, language, religion or belief, political or other opinion, national or social origin, birth or other status; and reaffirm their existing OSCE commitments in this field;
- Recognise that some forms of intolerance and discrimination may have unique characteristics and origins and require proper definition, but the methods to fight against them are, in many fields, similar and include efforts in monitoring, data collection, legislation, law enforcement, education, the media and promotion of dialogue;

- 4. Reiterate that international developments or political issues never justify racism, xenophobia, or discrimination, including against Muslims, Christians and members of other religions; and that international developments or political issues, including in Israel or elsewhere in the Middle East, never justify anti-Semitism:
- Reject the identification of terrorism and extremism with any religion, culture, ethnic group, nationality or race;
- 6. Underscore that the primary responsibility for addressing acts of intolerance and discrimination rests with participating States, and recognize the importance of implementation, through competent authorities by participating States of the commitments agreed to by the Ministerial Councils in Porto, Maastricht and Sofia, as well as other relevant international instruments in the field of tolerance and non-discrimination, and in this regard:
  - Recall the commitment to develop effective methods of collecting and maintaining reliable information and statistics about anti-Semitic and all other hate motivated crimes and following closely incidents motivated by intolerance in order to develop appropriate strategies for tackling them;
  - Recall that legislation and law enforcement are essential tools in tackling intolerance and discrimination and that the authorities of participating States have a key role to play in ensuring the adoption and implementation of such legislation and the establishment of effective monitoring and enforcement measures;
  - Recall the importance of education, including education on the Holocaust and on anti-Semitism, as a means for preventing and responding to all forms of intolerance and discrimination, as well as for promoting integration and respecting diversity;
  - Recall the important role of the media including the Internet in combating hate speech and promoting tolerance through awareness-raising and educational programmes as well as highlighting positive contributions of diversity to society;
- Commend ODIHR for setting-up the new Tolerance and Non-Discrimination Programme, and in this regard:
  - Encourage ODIHR's activities offering advice to participating States on Holocaust education and remembrance, on establishing programmes offering assistance to participating States, in the fields of legislation, law enforcement, and data collection, and on sharing best practices on the issues of racist, xenophobic and anti-Semitic propaganda on the Internet;
  - Recognise the importance of enhancing the cooperation of participating States with ODIHR with respect to the effective implementation of these programmes and activities;

- Encourage ODIHR to continue co-operation with other OSCE institutions and other organisations, such as the United nations Committee on the Elimination of Racial Discrimination (CERD), the European Commission against Racism and Intolerance (ECRI), the European Monitoring Centre on Racism and Xenophobia (EUMC), and Task Force for International Cooperation on Holocaust Education, Remembrance and Research;
- 8. Encourage the ongoing activities of the three Personal Representatives on Combating Racism, Xenophobia and Discrimination, also focusing on Intolerance and Discrimination against Christians and Members of Other Religions, on Combating Anti-Semitism, and on Combating Intolerance and Discrimination against Muslims, and welcome their ongoing role in raising awareness of the overall fight of the OSCE to combat discrimination and promote tolerance;
- 9. Underline the crucial role national parliaments play in the enactment of the necessary legislation as well as serving as a forum for national debate, and commend the work done by the Parliamentary Assembly of the OSCE in raising awareness in the implementation of the OSCE commitments regarding racism, anti-Semitism, xenophobia and other forms of intolerance and discrimination;
- 10. Recognise that civil society is a key partner in the fight against discrimination and intolerance and that enhanced communication and dialogue between participating States and civil society can advance implementation of commitments and operational follow up at the national level.

# **QUESTION PERIOD**

#### THE SENATE

TIMING IN COMMITTEE HEARINGS BETWEEN
TESTIMONY OF MINISTERS AND CLAUSE-BY-CLAUSE
CONSIDERATION

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, my question is addressed to the Leader of the Government in the Senate. Last Thursday, June 23, the government leader extolled the virtues of not rushing clause-by-clause consideration of a bill at committee. He pointed out the following regarding the questions that were asked of the Minister of Finance concerning Bill C-43:

...the Minister of Finance is allowed a day or so to provide the answers to those very important questions. It is the business of this chamber to hold the executive to account—how many times have we heard that from the other side?—and to obtain answers from the government before legislation is passed by this chamber.

In other words, we should have time to absorb what the minister has said and reconsider clause by clause at the next meeting.

I would like the minister to check the agenda for tomorrow with respect to the Social Affairs Committee and its meeting in the morning. The agenda now states that the committee will hear from the ministers on Bill C-22 and Bill C-23, and then move right to clause-by-clause consideration.

How could we agree last week that after hearing from the Minister of Finance on Bill C-43 we needed to pause before proceeding to clause by clause and then this week change our minds with respect to Bill C-22 and Bill C-23? Perhaps the Leader of the Government in the Senate is unaware of the committee's intentions. Would we not want to carry out the same procedure with respect to these two bills as we did with Bill C-43?

Hon. Jack Austin (Leader of the Government): Honourable senators, the answer I should give is that the committee is the master of its own business. If it is unanimous in wishing to proceed, then, obviously, it can do as it wishes.

With respect to the situation to which Senator Stratton refers, of course, there was no unanimity, just the contrary.

• (1400)

Senator Stratton: I expect that since the Leader of the Government was talking on principle last week with respect to Bill C-43, he would agree in principle that indeed this procedure should be the case. We should hear from the minister one day, consider what he had said that day and do clause-by-clause review the next day. Would the leader not agree with that as a principle for this chamber?

**Senator Austin:** I just answered the question, Senator Stratton. Perhaps you missed what I said.

Senator Stratton: I appreciate that. I want to have that agreement from the Leader of the Government, a simple yes or no. He must realize there will not be unanimous consent on this side with respect to clause-by-clause review in committee.

Senator Austin: I am reminded that a committee does not need unanimous consent to do clause-by-clause review. However, it does need unanimous consent not to do clause-by-clause review. Did I say that right?

Senator Di Nino: That is a Liberal explanation.

**Senator Stratton:** If that is not equivocation, I do not know what is.

# LABOUR AND HOUSING

CANADA MORTGAGE AND HOUSING CORPORATION—REQUEST BY MINISTER FOR STUDY ON REVERSE MORTGAGES

Hon. Donald H. Oliver: My question is for the Leader of the Government in the Senate. I am aware of his admonition of long preambles, which I normally avoid, but I have an introduction to the question.

The Minister of Labour and Housing has asked the Canada Mortgage and Housing Corporation to investigate models for government-backed reverse mortgages. Reverse mortgages allow older homeowners to convert part of the equity of their homes into cash without having to sell their homes or take on additional monthly bills. In a regular mortgage, the homeowner makes monthly payments to the lender. In a reverse mortgage, the homeowner receives money from the lender and does not pay it back for as long as you live in the home. Instead, the loan must be repaid when you die, sell your home or no longer live in it as your principal residence.

Reverse mortgages can help homeowners who are house rich but cash poor stay in their homes and still meet their financial obligations. Reverse mortgages have been available in Canada for 19 years, and the current government has been in office for 12 years. Approximately 6,000 seniors currently have a reverse mortgage, which is not a particularly large business volume, perhaps explaining why there is only one company in the game. However, the market will likely grow in the years ahead as the number of seniors grows.

My question is this: Was this instruction to investigate a commercial role predicated by an analysis that determined that this was the only way to make seniors feel more comfortable about reverse mortgages, and that this could not be achieved through regular means? Has the government looked to determine if there is a need to enact consumer protection measures such as in the areas of cost disclosure and cooling-off periods?

Hon. Jack Austin (Leader of the Government): Honourable senators, I do not have a specific answer to the part of the presentation that was a question. I will ask the Minister of Housing, who is responsible for CMHC, to advise me further.

Honourable senators, I do not think that in principle it is undesirable for CMHC to review the reverse mortgage business to see that it meets appropriate public standards, as suggested in part of Senator Oliver's question.

Senator Oliver: My supplementary question is this: Who is really being protected, the homeowner or the bank? Traditionally, mortgage insurance with CMHC protects the lender or the bank, not the homeowner. CMHC insurance ensures that the bank gets paid, not that homeowners get to keep their homes. The homeowner and not the bank pay this insurance fee.

One of the reasons given as to why the government may want to get into this game is that it would allow CMHC to insure these mortgages. Why does the government perceive the need to insure reverse mortgages? Who will benefit from this insurance, the lender or homeowner, and how much will it cost those taking out these loans in additional fees?

Senator Austin: Those are good questions, honourable senators. Perhaps once I am able to provide a preliminary response from the Minister of Housing, the appropriate committee in the Senate might wish to initiate a policy study in this area.

I wish to respond to one part of Senator Oliver's statement. It is true that the financial institutions are the insured, but that is for the benefit of the homeowner. If there was not insurance, the

credit rating of individuals would have a larger impact on whether they had access and, in addition, the interest rate might be at the cost of the homeowner.

However, these issues should be wrapped into any further work the Senate may want to do.

**Senator Oliver:** The problem with that is the homeowner has to pay all those additional fees to CMHC.

Senator Austin: We could get into a discussion of the advantages of insurance. I do not know whether Senator Oliver is objecting because CMHC is a public corporation or that he has a view with respect to the reverse mortgage industry itself. I know he has a background on the subject.

The point I wanted to make is that insurance reduces the cost to the consumer across the board because the financial risk is taken away from the financial institution, and the financial institution, therefore, cannot assess higher charges to displace higher risk. The benefit to all the players is in the system.

#### **JUSTICE**

COMMISSION OF INQUIRY INTO SPONSORSHIP PROGRAM AND ADVERTISING ACTIVITIES— REPRESENTATION OF CROWN COUNSEL

Hon. Gerry St. Germain: Honourable senators, my question is directed to the Leader of the Government in the Senate. Recently, the Gomery commission finished hearings from witnesses, and Mr. Justice Gomery now begins the monumental task of poring over testimony and arriving at his conclusions regarding the sponsorship scandal. The hope would be that Justice Gomery can continue his work uninhibited by pressures from political elites in the PMO or by emissaries of former Prime Minister Jean Chrétien. Moreover, federal government lawyers have the responsibility to maintain public interest and not the interest of a select group of individuals. However, such does not appear to be the case at this time. I quote from a Canadian Press article from the Moncton Times and Transcript of June 18, 2005:

Federal government lawyers urged inquiry commissioner John Gomery to clear Canada's two most recent prime ministers — Paul Martin and Jean Chrétien — of any blame in the costly scandal.

"The responsibility to administer what was called the sponsorship program fell with Public Works and the minister of public works," Sylvain Lussier said after making the final submission to the inquiry...

My question to the Leader of the Government of the Senate is: Are the government lawyers acting on behalf of the Crown, or on behalf of the executive?

Hon. Jack Austin (Leader of the Government): Honourable senators, I will try to answer a question that I find a bit vague.

In the proceedings before an inquiry, there are several stages. First is the taking of evidence. Second is, after the evidence is in, the argument of counsel representing interested parties with

respect to how the inquiry commissioner should see the evidence. All parties have an opportunity to argue what the evidence means. That opportunity takes place in a trial as well, and that is the factual process to which Senator St. Germain is making reference.

• (1410)

The government counsel are simply making a presentation on the basis of the evidence as they see it, arguing that none of the evidence touches either Prime Minister Chrétien or Prime Minister Martin with respect to any allegations of impropriety. That is the role of Crown counsel with respect to government officials in the widest sense. Whether they be prime ministers, ministers, deputy ministers, directors general, it is the job of the Department of Justice to represent the government in all its official emanations. As Prime Minister Chrétien was Prime Minister during relevant parts of the events alleged, it is the government's obligation to make representations as they see the evidence with respect to him or any other government official.

This policy is very long-standing, and it took place with respect to Prime Minister Brian Mulroney in certain events that may be recalled by Senator St. Germain and others at other times. It is a policy that has no partisanship in it and no politics in it. It is the role of the Crown counsel in the Department of Justice.

Senator St. Germain: I gather what the minister is saying in response is that they represent the federal government.

# COMMISSION OF INQUIRY INTO SPONSORSHIP PROGRAM AND ADVERTISING ACTIVITIES—PARAMETERS OF FINDINGS

Hon. Gerry St. Germain: Honourable senators, my understanding is that the parameters of Justice Gomery's mandate constrained the commission from naming names. The government does not seem to appreciate that role and it wants to protect its own. My question is: Why is the commission not allowed to name names of the guilty but encouraged to presume the innocence of Prime Minister Martin and former Prime Minister Chrétien?

Hon. Jack Austin (Leader of the Government): Honourable senators, let me continue my explanation, then. The inquiry commission is not allowed to make findings that would be equivalent to either civil or criminal liability. This commission is not a court, and the evidence presented was not presented under the laws of evidence with respect to court proceedings. It is a fact-finding tribunal, and the inquiry commissioner is fully capable of describing the facts, but not civil or criminal liability conclusions.

## HEALTH

# EFFECT OF DEBT LOAD OF MEDICAL STUDENTS ON CHOICE OF SPECIALIZATION

Hon. Wilbert J. Keon: Honourable senators, my question is for the Leader of the Government. Honourable senators, new data that was recently released from the 2004 National Physician Survey found that almost one-third of Ontario's first-year medical school students say that their choice of specialization and the location of their future practice will be heavily influenced by their debt load after graduation. This finding could very well have a large impact on the future of our health care system. If medical students are forced to focus on higher paying fields, such as some of the specialties, and away from those that pay less, which is usually family medicine, our situation with the family doctor shortage will even worsen. Could the Leader of the Government in the Senate tell us if the government is aware of this, and if they have initiatives under way to deal with this?

Hon. Jack Austin (Leader of the Government): Honourable senators, I cannot specifically respond except to say that the training of doctors and the administration of the health system is within the competence of the provinces. I imagine that the answer to the question would vary depending on the circumstances in the different provinces.

**Senator Keon:** As honourable senators know, the federal government is making a major investment in increasing the number of health professionals, and perhaps somewhere in that investment they could deal with this particular issue.

# DECLINE IN MEDICAL STUDENTS FROM LOW-INCOME FAMILIES

Hon. Wilbert J. Keon: In any event, honourable senators, something else here is very disturbing. The survey also found that the number of first-year medical students from low-income families has significantly decreased. In 1997, 23 per cent of first-year medical students in Ontario came from low-income families, but last year that number dropped to just 10 per cent. This is very troubling, as we should encourage talented people to pursue a career in medicine, not encourage, necessarily, rich people to pursue a career in medicine.

When the minister raises this item in cabinet, as I hope he will, in the context of some of the money that the government is spending now, perhaps he could remind his colleagues that the next generation of doctors should come from the brightest, best and most responsible students, not from the richest. I am sure the leader agrees.

Hon. Jack Austin (Leader of the Government): Honourable senators, I do agree that access to training as doctors and other health workers should be based on merit and capability, and not deterred by financial capacity. I will raise Senator Keon's representations with the Minister of Health, and hope to provide him with additional information.

### NATIONAL DEFENCE

GAGETOWN—TESTING OF AGENT ORANGE AND AGENT PURPLE—TIMING IN RELATION TO STATED POSITION ON VIETNAM WAR

Hon. David Tkachuk: Honourable senators, yesterday, in Delayed Answers to Oral Questions, I received some information to my questions on June 14 about the testing of Agent Orange at CFB Gagetown in the 1960s, and Agent Purple as well. The answers were far from satisfactory, so I want to clarify a few matters.

Yesterday's delayed answer indicated:

To the best of our knowledge, Agent Orange and Agent Purple were not used or tested on any Canadian military facilities other than CFB Gagetown.

What exactly is the state of the government's knowledge on this issue, and what is being done to further it?

Hon. Jack Austin (Leader of the Government): Honourable senators, the state of government knowledge is as disclosed in the delayed answer.

With respect to the second part of the question, an active inquiry is being undertaken by the department. If there is any additional information with respect to the use of these two toxic chemicals, the department feels sure that it will be supplied by public sources and/or by the records which are now being searched.

Senator Tkachuk: The delayed answer indicated that Agent Orange and Agent Purple were tested. The quote read:

... the Government cooperated with the United States to test a number of chemicals at CFB Gagetown, including Agent Orange and Agent Purple.

What other chemicals were being tested, and to what end?

Senator Austin: I will make inquiries, honourable senators.

Senator Tkachuk: The delayed answer also indicated:

Our purpose for these tests was to find more effective ways to deal with vegetation in the training area.

That answer mystified me. Why was it necessary to deal with vegetation in the training area, and what methods were being used at the time that proved unsatisfactory?

Senator Austin: I will make inquiries and provide the information, if I am able to do so, in a delayed answer.

Senator Tkachuk: As well, the delayed answer indicated that there was no evidence to suggest that any civilians outside the base were exposed. I thought that was an interesting answer, because I never did ask that. It said:

It did not involve widespread spraying and there is no evidence to date that any civilians outside of the base were exposed to Agent Orange or Agent Purple.

What about the civilians inside the base?

Senator Austin: Honourable senators, in answer to questions asked by Senator Meighen, I made it clear that all personnel on the base were the subject of review. Senator Tkachuk may recall

Senator Meighen asking me if my use of the word "persons" included civilians as well as military personnel, and I said it did.

• (1420)

[Translation]

## THE SENATE

# ETHICS OFFICER—NOMINATION TO CONFLICT OF INTEREST COMMITTEE

**Hon. Marcel Prud'homme:** My question is for the Leader of the Government in the Senate.

When will we find out the name of the fifth "commissar", "czar" or "czarina" who will be watching over the shoulder of the ethics commissioner, whom we call the ethics officer? You know that I am utterly opposed to this system. I am repeating the same arguments, and you will probably repeat the same responses, however, I am somewhat better prepared today.

We know already that Honourable Senators Joyal and Carstairs have been chosen from your party. We know that Honourable Senators Andreychuk and Angus were elected by secret ballot from the opposition. According to the democratically adopted rule, to which I objected, these four members, for whom my nickname is "commissars", "czars" or "czarinas", will appoint or elect the fifth member of this committee.

When will we know who it is? Will we find out before Parliament adjourns for the summer? If you tell me it is not your decision to make, then whose is it? If Senator Carstairs has to convene the committee, then say so and we will ask her the question. If you tell me that, like the last time, this is up to the chair of the Standing Committee on Rules, Procedures and the Rights of Parliament, then I will ask him the question. I would have preferred the fifth member to be elected by all the senators by secret ballot, as they do in the other place. Obviously this member would be a Liberal, assuming you have control over your majority. Nonetheless, the fact remains that we have disregarded 11 senators, who have just as much right to be heard and even to lose an election.

# [English]

Even if they were to lose the election, at least they would have had the right to be treated equally. At the moment, 11 of us have nothing to say. We know nothing. I am not speaking on the other's behalf. However, I am sure they are as upset as I am. We do not know how to conform since nothing is being said to us.

There will be 11 vacancies before Christmas. There will be more independent-minded and more non-associated senators.

Is it possible that an order be made, somewhere, to provide us with an agenda telling us when this fifth person will be elected or appointed? In that way, we will know who to approach so that we may fit into this new system.

Hon. Jack Austin (Leader of the Government): Honourable senators, as Senator Prud'homme noted in his question, he and I have had exchanges on this topic.

The best way I can answer his question is to say this: The honourable senator is well aware that from the beginning of the debate on the issue of a Senate ethics officer and the application of the rules relating to the conduct of senators, this chamber expressed the view that it would not be a matter for the executive to control. Rather, the matter was controlled by the Senate itself through the membership of the Standing Committee on Rules, Procedures and the Rights of Parliament. They produced a code which was accepted by this chamber.

As Senator Prud'homme rightly said, that code provided for the government side to propose two members of a five-member committee and for the official opposition to do the same. That was done by election in our caucus, and as I understand it, the same took place in the Conservative caucus.

Four senators have been chosen by that process which falls under the rules of this chamber. Those four senators are to select a fifth senator. There is no category that defines who that fifth senator will be, except that it be a senator agreed upon by at least three of the four.

The role that Senator Kinsella and I play is that when we are advised by that committee that they have five persons and have selected a chair, I will move a motion, seconded by Senator Kinsella, adopting that advice and constituting that committee in this chamber. That motion is non-debatable under the rules provided and adopted by the Senate.

After that long background, honourable senators, the short answer is that I do not know any more than the honourable senator does about the fifth person.

[Translation]

Senator Prud'homme: We are not in a kindergarten here, Mr. Minister.

[English]

After 41 years in politics, I do not like to be tutored by anyone. We are not stupid. The minister gave a good answer, but it is a non-answer. I know the executive does not want to get involved. I know that both the Liberals and the Conservatives have had their secret ballots.

Who among these four will take the initiative? Is one of the four waiting for one of the other three to call? Or is it the chair of the Rules Committee who will say, "You see what is going on. Come and meet with me and make up your mind. You four have the ultimate authority." Who will bring these four senators together, whom I can see right now in front of me? Surely, someone must do something.

We have been waiting for their call. We will never get the fifth senator. Someone has to push them. That is exactly why I stand up so often. I know my questioning disturbs some, but that is tough luck. Someone should take the initiative, put these four senators together in a room, in a conclave, and say, "You come out of there when you have chosen the fifth senator."

Senator Austin: Honourable senators, I want to say to Senator Prud'homme that in no way did I intend to patronize him in answering his question. I went out of my way to describe the circumstances so that the chamber might understand the situation exactly. I thought Senator Prud'homme's question was valuable and important to this chamber, and I do not want anyone to believe that I thought otherwise.

With respect to what Senator Prud'homme is saying, he can approach any one of the four and ask them that question. I will do the same out of my own curiosity. I am not concerned with whether they lack the ability to understand what has been given to them under the Rules of the Senate and the responsibility for acting expeditiously to discharge their responsibilities. I am not concerned about their getting together. All are eminent senators with long experience in this chamber. They will act appropriately in connection with the responsibilities they have agreed to accept.

• (1430)

# ORDERS OF THE DAY

#### SPIRIT DRINKS TRADE BILL

THIRD READING—DEBATE ADJOURNED

Hon. Grant Mitchell moved third reading of Bill S-38, respecting the implementation of international trade commitments by Canada regarding spirit drinks of foreign countries, as amended.

He said: Honourable senators, it is my happy task to speak at third reading of Bill S-38. It is particularly happy because I have been reminded, in the process of dealing with my second agricultural bill here in the Senate, that while so many of us come from heavily populated, urban areas, and perhaps we have become a little complacent about our relationship with agricultural Canada, this bill is clear evidence of how important agricultural Canada, farmers and the farm community are to all Canadians. It is an important reminder that we should consider their importance to us much more intensely than we sometimes do.

This bill has been a happy experience for me in that it is a bill that has been widely accepted. It is the proverbial win-win circumstance, although I might extend it to be a win-win-win-win circumstance. Consumers are happy about it, or at least they will be when they realize its impact on the quality of the wines and spirits they are able to drink in this country. Wine producers and spirit producers are happy with this and have been supportive. Generally, people who will benefit from the jobs and other economic spin-offs from the impact of this bill will be supportive. As well, I believe the quality and the acceptability of this bill has been reflected in the expeditious manner in which the Senate has dealt with this in first and second readings and with how it has been dealt with by the committee.

To summarize, again, just to remind honourable senators, this bill will implement certain protections for spirits and drinks that have been negotiated with the European Union's committee on wine and spirits, with NAFTA under the NAFTA agreement, and with the Caribbean.

Honourable senators, I should point out and address a matter that was raised properly by Senator Kelleher that there appeared to be some confusion about the fact that wine kept appearing in my discussion of this bill, whereas the bill addresses spirits. In fact, the bill does address only spirits, but there is a quid pro quo in the European side that affects wines and one of the three agreements that we negotiated is with a committee that is responsible in the European Common Market for wines and spirits.

The European Common Market agreement will deal with spirits such as grappa from Italy, ouzo from Greece, and other spirits from Germany, Spain and Austria, as well as Irish whisky and Scotch whisky. The NAFTA agreement will deal with certain spirits from North America: bourbon whiskey, Tennessee Whiskey and tequila, to mention but a few.

The Hon. the Speaker pro tempore: Excuse me, Senator Mitchell.

Honourable senators, we cannot hear Senator Mitchell. Would you please lower the tone?

Some Hon. Senators: Order!

Senator Mitchell: Honourable senators, I was explaining to someone earlier today that my experience in the Legislature of Alberta, and here to some extent, has been that I do not get too nervous about speaking in these places because often no one is listening. That is okay. I respect that senators have important things to talk about.

Tennessee Whiskey and tequila are consistent under article 313 of the North American Free Trade Agreement. With respect to Caribbean rum, this legislation defines specifically in proper legislation the definition of Caribbean rum.

As any of my new colleagues who have not yet done a bill will find, there are sometimes wrinkles to be dealt with and debated, and in this case there was no exception. We had a few amendments. These were good amendments properly raised and considered, because on reconsideration of the initial bill the Department of International Trade found that the wording of the bill had to be more precise to better define the spirits being dealt with to avoid confusion in the future. This added precision is also, in part, in response to Senator Kelleher's point about a definition of "spirits," which has been considered. We believe we have met Senator Kelleher's concern because the bill defines specifically the spirits that it deals with.

There was a question raised by the Leader of the Government in the Senate — the first question I have probably ever had in either the legislature or for sure the Senate — about Newfoundland Screech and Yukon Jack.

Some Hon. Senators: Hear, hear!

Senator Mitchell: I know. They are listening.

I was asked whether those two spirits, as important as they are in Canadian culture and recreation, were protected in this bill. I may have misled the Senate to some extent by inferring that they were protected in this bill. In fact, they are not protected in this bill; they are protected by trademark. That is consistent with this bill; therefore the producers, owners and buyers of these particular spirits should be given some comfort in that regard.

Senator Mahovlich raised the question of slivovitz. This spirit drink, while probably very popular in parts of Europe, did not seem to rise high enough on the radar to be debated or considered in our negotiations with the European committee. Perhaps that will be dealt with in the future. However, I was fortunate to be able to send Senator Mahovlich a bottle of slivovitz. He has not yet confirmed whether it is genuine, but the label seemed to confirm that it was.

Finally, our colleague Senator Oliver did raise an interesting, significant and, I would say, insightful constitutional question as it might have affected this bill. His question related to a ruling in a case with Labatt that Parliament cannot "regulate a particular business or trade." I would like to answer that briefly here.

This matter arises under the federal constitutional authority over federal trade and commerce powers. There are two subsections of federal trade and commerce powers. First are general trade and commerce powers and second are interprovincial and international trade and commerce powers. The *Labatt* case falls within the first, general trade and commerce powers, which really relate to local trade and commerce powers, these agreements, and the provisions that we are implementing in this bill, fall under the second category of constitutional powers, interprovincial or international trade and commerce powers. It is our opinion they properly apply in this case.

Senator Oliver will by now know from a briefing he has received that there is precedence in another case that affected Andres wine in 1987. In that case, Parliament's constitutional authority to legislate to protect geographical indications such as champagne was upheld. That case would again provide comfort for the constitutional application of the appropriateness of this bill.

Honourable senators might properly ask, since we are doing all this for European and North American producers, what are we getting in return? That is an important question. In return, elsewhere in the world, we are getting protection for rye whisky and for Canadian whisky. There are those who understand how significant and important that would be.

With respect to the question of application for wines, the bill itself does not apply to wines but we are getting certain protections in the European Common Market for Canadian wines. There are a number of provisions. We will get recognition for Canadian wine-making practices and for labelling, among other things.

• (1440)

Here in Canada, the agreement will still allow Quebec grocery stores to sell wines bottled only in Quebec, and British Columbians and Ontarians can be comforted by the fact that their liquor control boards will still be able to make direct retail sales. Ultimately, this agreement will also benefit and protect, in particular, on-farm wineries that have had so much success in various parts of this country in attracting tourism to their wineries for their product.

The most important benefit, perhaps, is the profound and significant economic impact that the results of this bill ultimately will have upon Canadian economies. In particular, this bill will enhance the ability of Canadian spirit and wine producers to gain access to foreign markets in the three jurisdictions that I have been mentioning. It reduces red tape and gives much greater certainty that they will have that access and that they will not see their efforts dispersed and diluted by competition that might steal these important and recognizable names that bring with them the recognition of the high quality of Canadian spirits and wines. We believe it is safe to expect that the spirit and wine industry, as strong as it is today, will become even stronger as a result of this piece of legislation.

Today, spirit producers export about \$500 million worth of spirits. About 80 per cent of the whiskey that is produced in Canada is in fact produced for export, which is significant.

There are over 170 wineries in Canada that today generate over \$400 million in annual sales. About \$75 million worth of Canadian grapes are purchased in the process. Canadian vintners are convinced that this will have an impact and will continue to build exports of Canadian wines from about \$1.5 million annually to some \$5 million over the next 10 years.

This is significant for these industries. It is also significant for rural and regional economies to the extent that this is where we find these wineries and, in some cases, distilleries. Certainly, it supports the agricultural community. It will assist in creating more jobs and much more profound and broader economic spinoffs in many other related economic endeavours in this country.

There are those who think that Canada has trouble working, that the federal structure is somehow cumbersome and that it needs to be restructured. I am not one of those. I like Canada, in many respects, the way it is, but this process is proof-positive again that Canada does work. This bill is a result of negotiations among the federal government, the provinces, consumers and producers, and it is widely accepted and supported. We have had great cooperation from the various departments involved in producing this bill, and I would like to thank them.

This bill, honourable senators, is about jobs, diversification, regional economies and Canada's maturity as a trading nation. It is about everything that is good except, perhaps, motherhood and apple pie. Even at that, this bill is worthy of support and I would ask that senators do just that.

On motion of Senator Stratton, for Senator Kelleher, debate adjourned.

# CANADA BORDER SERVICES AGENCY BILL

#### SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Banks, seconded by the Honourable Senator Corbin, for the second reading of Bill C-26, to establish the Canada Border Services Agency.

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, Senator Cools had this item standing in her name. She has advised that she will speak to the bill at third

The Hon. the Speaker pro tempore: Is the house ready for the question?

Hon. Senators: Question!

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

#### REFERRED TO COMMITTEE

The Hon. the Speaker pro tempore: Honourable senators, when shall this bill be read the third time?

On motion of Senator Rompkey, bill referred to the Standing Senate Committee on National Security and Defence.

## DEPARTMENT OF JUSTICE ACT SUPREME COURT ACT

BILL TO AMEND—SECOND READING— ORDER STANDS

On the Order:

Second reading of Bill S-34, to amend the Department of Justice Act and the Supreme Court Act to remove certain doubts with respect to the constitutional role of the Attorney General of Canada and to clarify the constitutional relationship between the Attorney General of Canada and Parliament.—(Honourable Senator Cools)

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, this bill is at day 15. Senator Cools would like to speak to it but is not yet ready to do so. I would ask that it be adjourned in her name for the future.

The Hon. the Speaker pro tempore: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Order stands.

# STUDY ON ISSUES RELATED TO NATIONAL AND INTERNATIONAL OBLIGATIONS

INTERIM REPORT OF HUMAN RIGHTS COMMITTEE AND MOTION REQUESTING GOVERNMENT RESPONSE ADOPTED

The Senate proceeded to consideration of the eighteenth report (interim) of the Standing Senate Committee on Human Rights, entitled, Canadian Adherence to the American Convention on Human Rights: It is time to proceed, tabled in the Senate on May 17, 2005.—(Honourable Senator Andreychuk)

Hon. A. Raynell Andreychuk: Honourable senators, I move:

That the report be adopted and,

That, pursuant to rule 131(2), the Senate request a complete and detailed response from the government, with the Minister of Foreign Affairs and International Trade being identified as the minister responsible for responding to the report.

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and report adopted.

(1450)

# PROGRESS REPORT ON QUALITY END-OF-LIFE CARE

INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Carstairs, P.C., calling the attention of the Senate to Still Not There. Quality End-of-Life Care: A Progress Report.—(Honourable Senator Cook)

Hon. Joan Cook: Honourable senators, I rise today to share my thoughts on a subject Senator Carstairs has worked exhaustively to promote — quality end-of-life care. I bring a personal dimension to this debate, having cared for my dad many years ago and having assisted my late husband on his three-and-a-half-year journey not so long ago.

I firmly believe that the goal of palliative care is to provide the best possible quality of life for the terminally ill by ensuring their comfort and dignity and relieving pain and other symptoms. Palliative care is designed to meet not only the dying person's physical needs, but also his or her psychological, social, cultural, emotional and spiritual needs as well as those of his or her family.

As noted in Senator Carstairs' progress report entitled Still Not There: Quality End-of-Life Care, over the past five years there has been encouraging progress in providing quality end-of-life care to

Canadians. Most family members who care for the dying now have access to the Compassionate Family Care Leave Benefit, and in most provinces labour codes provide for their job protection. Other examples of positive developments include the creation of an on-line virtual hospice and Health Canada's announcement of \$16.5 million in funding for an educational program for physicians in end-of-life care.

The hospice palliative care community has also made strides in enhancing end-of-life care for dying Canadians, and I wish to tell honourable senators about some of them. According to the Canadian Hospice Palliative Care Association, with the closure of beds in acute care hospitals and cutbacks in the number of hospital-based palliative care beds, more people are being cared for in their own homes or at a long-term care facility.

To provide high-quality hospice palliative care, all care providers require specific training in palliative care. More than 2,100 health care workers, most of whom are paid support workers in the home care sector, have received training through the CHPCA Palliative Care Training for Support Workers project. This number includes 126 workers and students trained in my home province of Newfoundland and Labrador. Four other health care organizations in Canada have also benefited from the program, including ones in Prince Edward Island, Ontario, Alberta and Manitoba.

A train-the-trainer model was used to implement the project, so approximately 140 instructors learned how to deliver the training to support workers, and more than half have since taught the program at least once. According to feedback provided by participants, the project was successful in that they felt they were able to use the knowledge gained to increase the comfort of patients.

In addition to training for support workers, nurses are also taking advantage of palliative care accreditation opportunities. In Newfoundland and Labrador, four nurses wrote the newly developed Palliative Care Nursing Exam and are now certified in the specialty of palliative care nursing from the Canadian Nurses Association.

Informal caregivers have also benefited from support provided by the hospice palliative care community. For example, CHPCA and the Military and Hospitaller Order of Saint Lazarus of Jerusalem developed a handbook entitled A Caregiver's Guide. The book, which presents thorough medical and nursing information, is available free of charge to family caregivers.

Although many gains have been achieved in palliative care, as outlined in Senator Carstairs' report, the federal government still has much work to do. The report provides sound recommendations in the areas of national strategy, patient and caregiver support, training and education for formal and informal health care providers, government and citizens working together, and planning for the future.

To echo a truth stated in Senator Carstairs' report, hospice palliative care programs and services need to be integrated into the health care system and not be an additional program that may or may not be available in every community.

Honourable senators, most of us and our loved ones will demand and deserve quality end-of-life care. Now is the time to build on the successes that have been achieved to develop a sustainable hospice palliative care system for all Canadians.

On motion of Senator Corbin, debate adjourned.

[Translation]

# PROVINCE OF ALBERTA

INQUIRY—ORDER STANDS

On the Order:

Resuming debate on the inquiry of the Honourable Senator Mitchell calling the attention of the Senate to the Province of Alberta and the role it plays in Canada.

—(Honourable Senator Prud'homme, P.C.)

Hon. Madeleine Plamondon: Honourable senators, I find this inquiry extremely interesting, particularly since I have a number of things in common with the people of Alberta, and I would ask to have this matter stand in the name of Senator Prud'homme.

The Hon. the Speaker: Honourable senators, this inquiry is at its fourteenth day, standing in the name of Senator Prud'homme, and Senator Plamondon is asking to have the matter again stand in the name of Senator Prud'homme. Is it agreed that we restart the clock?

Hon. Senators: Agreed.

Order stands.

The Senate adjourned until Thursday, June 30, 2005, at 1:30 p.m.

# CONTENTS

# Wednesday, June 29, 2005

PAGE	PAGE
	Human Rights
Royal Assent The Hon. the Speaker	Notice of Motion to Authorize Committee to Study Organization for Security and Co-operation in Europe Cordoba Declaration on Anti-Semitism and Other Forms of Intolerance.  Hon. Jerahmiel S. Grafstein
SENATORS' STATEMENTS	
	OUECTION BEDIOD
Inalienable Right of Aboriginal Self-Government Hon. Gerry St. Germain	QUESTION PERIOD
	The Senate Timing in Committee Hearings Between Testimony of Ministers
Organization for Security and Co-operation in Europe Hon. Jerahmiel S. Grafstein	and Clause-by-clause Consideration.  Hon, Terry Stratton
Love Africa	Hon. Jack Austin
Hon. Donald H. Oliver	Labour and Housing
Mongolia	Canada Mortgage and Housing Corporation—Request by Minister for Study on Reverse Mortgages.
Inauguration of New President.	Hon, Donald H. Oliver
Hon. Joseph A. Day	Hon. Jack Austin
	Justice
	Commission of Inquiry into Sponsorship Program and Advertising Activities—Representation of Crown Counsel.
ROUTINE PROCEEDINGS	Hon, Gerry St. Germain
	Hon. Jack Austin
Speaker's Delegation to Japan	Commission of Inquiry into Sponsorship Program and Advertising Activities—Parameters of Findings.
Report Tabled.	Hon, Gerry St. Germain
Hon. Daniel Hays	Hon. Jack Austin
Criminal Code	Health
Cultural Property Export and Import Act (Bill S-37) Bill to Amend—Report of Committee.	Effect of Debt Load of Medical Students on Choice of Specialization.
Hon. Peter A. Stollery	Hon. Wilbert J. Keon
	Hon. Jack Austin
Rules, Procedures and the Rights of Parliament	Hon. Wilbert J. Keon
Fifth Report of Committee Presented—Numbering of Senate Bills.  Hon. David P. Smith	Hon. Jack Austin
Tion. David 1. Simen	National Defence
Personal Watercraft Bill (Bill S-12)	Gagetown—Testing of Agent Orange and Agent Purple—
Report of Committee.  Hon. Ethel Cochrane	Timing in Relation to Stated Position on Vietnam War.  Hon. David Tkachuk
Hon. Etnel Cochrane	Hon. Jack Austin
Civil Marriage Bill (Bill C-38)	m C .
First Reading	The Senate Ethics Officer—Nomination to Conflict of Interest Committee.
Business of the Senate	Hon. Marcel Prud'homme
Hon. Marcel Prud'homme	Hon. Jack Austin
Social Affairs, Science and Technology	
Notice of Motion to Authorize Committee to Meet During Adjournment of the Senate.	ORDERS OF THE DAY
Hon. Wilbert J. Keon	
Notice of Motion to Authorize Committee to Study Parks Canada	Spirit Drinks Trade Bill (Bill S-38)
Historic Sites. Hon. Serge Joyal	Third Reading—Debate Adjourned.  Hon. Grant Mitchell
Rules, Procedures and the Rights of Parliament	Canada Border Services Agency Bill (Bill C-26)
Notice of Motion to Authorize Committee to Study Application of Charter of Rights and Freedoms in the Senate.	Second Reading. Hon. Terry Stratton
Hon. A. Raynell Andreychuk	Referred to Committee

PAGE	PAGE
to Amend—Second Reading—Order Stands.  n. Terry Stratton	Progress Report on Quality End-of-Life Care Inquiry—Debate Continued. Hon. Joan Cook
dy on Issues Related to National and International Obligations rim Report of Human Rights Committee and Motion equesting Government Response Adopted. n. A. Raynell Andreychuk	Province of Alberta Inquiry—Order Stands. Hon. Madeleine Plamondon



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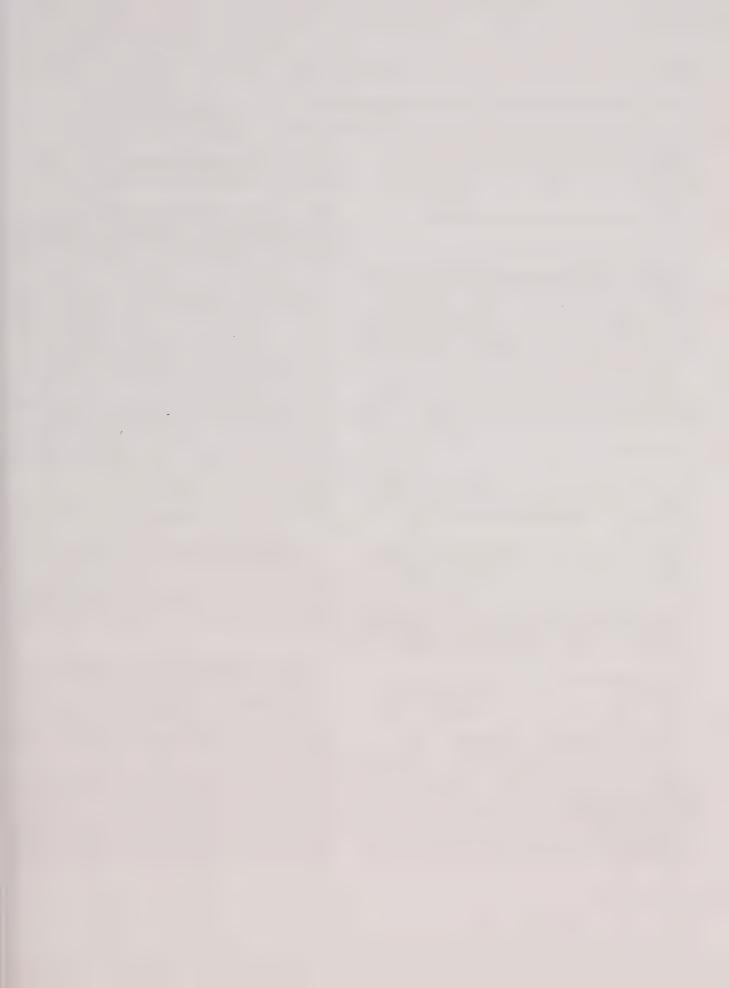
OFFICIAL REPORT (HANSARD)

Thursday, June 30, 2005

THE HONOURABLE DANIEL HAYS SPEAKER

# **CONTENTS**

(Daily index of proceedings appears at back of this issue).



# THE SENATE

Thursday, June 30, 2005

The Senate met at 1:30 p.m., the Speaker in the chair.

Prayers.

# SENATORS' STATEMENTS

## **CANADA DAY**

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, on the eve of Canada Day, I wish to reflect on the many blessings that Canadians have been afforded by a rich nature and a marvellous people. On this Canada Day, we can also reflect on the fact that, for 138 years, the system of governance under which we have worked has been a huge success, given that the practice of freedom in Canada is as rich as anywhere in the world. Perhaps there is something right about our system.

I invite all my colleagues in this house and in the other place to join with the third part of our Parliament, the Crown, in celebrating Canadian freedom and liberty on this the one hundred and thirty-eighth birthday of our beautiful country.

Hon. Senators: Hear, hear!

Hon. Jack Austin (Leader of the Government): Honourable senators, it is a pleasure to join with my colleague the Leader of the Opposition in noting Canada's one hundred and thirty-eighth birthday to be celebrated tomorrow. Canada Day is one of the most important events in communities across this country.

Here in Ottawa, it is a major event celebrated on Parliament Hill and televised across the country. In Vancouver, we have an enormous party at Canada Place, a signature structure in the harbour of Vancouver. Tens of thousands of people attend that event, which I am sure is the case in every part of Canada.

I have seen time and again in my public life the devotion of Canadians to this country and their understanding of our values, uniqueness, tolerance and desire to build a just society and a better world.

Hon. Senators: Hear, hear!

# YMCA FELLOWSHIP OF HONOUR

CONGRATULATIONS TO JOHN LINDSAY SR. ON BECOMING AN OFFICER

Hon. Terry M. Mercer: Honourable senators, on Thursday, June 9, I was honoured to attend the YMCA Fellowship of Honour investiture ceremony with my colleagues Senator Andreychuk and Senator Maheu. It is noteworthy that Senator Andreychuk is an Officer of the Fellowship of Honour, the highest honour given by the YMCA of Canada. This honour recognizes volunteers and staff who have shown leadership in strengthening the YMCA's efforts to build strong families and strong communities.

This subject is particularly close to my heart in that I served as Vice President of Financial Development of the YMCA of Greater Toronto in the late 1980s and early 1990s.

This year, a very distinguished Nova Scotian was inducted as an officer — Mr. John Lindsay Sr. of Halifax. John has been actively involved in the YMCA of Halifax-Dartmouth for more than four decades. A renowned businessman, he believes in a strong community and is a leader in that effort.

Founder of J.W. Lindsay Enterprises Limited, John has enjoyed over 45 years of building success in Atlantic Canada while striving to enhance his community through organizations like the YMCA. From fundraising to fitness programs, John has always been a great friend of the YMCA. As his company is known as one of the best construction companies around, John is no stranger to efficient and creative ways to improve business and volunteer organizations such as the YMCA.

I have known John Lindsay Sr. for many years. He is a creative thinker, a good Samaritan and an honourable Nova Scotian.

The YMCA is dedicated to the growth of all persons in spirit, mind and body, and to a sense of responsibility to each other and the global community. Better words could not be found to describe the contributions of John Lindsay Sr.

## THE SENATE

# ETHICS OFFICER—CONFLICT OF INTEREST COMMITTEE—ELECTION OF FIFTH MEMBER

Hon. Serge Joyal: Honourable senators, it is a privilege for me to draw your attention to a message sent to the office of each of you through our email network yesterday by the Honourable Senators Angus, Andreychuk, Carstairs and myself. The message reads:

We, the undersigned Senators, have been elected by our respective caucuses to serve on the newly-created Senate Committee on Conflict of Interest for Senators and as such we are charged with selecting a fifth member of the Committee. We have today held a preliminary meeting on this issue and wish to be transparent and open and therefore, have decided to conduct an election for the fifth member.

We wish to determine which individual Senators are interested in being elected to this final membership position on the Committee. However, we are also mindful of the time remaining in the Senate calendar before the summer recess and of the work that needs to be done in advance of our return in the fall. Therefore, we respectfully request that Senators interested in serving on the Committee as the fifth member indicate so by writing or by e-mail to:

Blair Armitage
Clerk of the Committee
Senate Committee on Conflict of Interest for Senators
Room 1011, Chambers Building

or armitb@sen.parl.gc.ca or by fax to 995 1925

Honourable senators know that the most important aspect of this new committee is transparency. We want to give all senators the opportunity to be on the short list for the fifth member of the committee. In order that the four serving senators can vote secretly for the fifth member next week and that, according to the procedure outlined by the Leader of the Government in the Senate, both sides can report on the formal constitution of the committee next week, senators must submit their names by Monday afternoon, July 4, at five o'clock.

• (1340)

Hon. Marcel Prud'homme: Honourable senators, unprepared as I am to speak to this matter today, I can say that I became ill last night because I think I was being too passionate about this issue and I cannot do it anymore. By the time I got back to my office, friends had called me — I still have a few in the Senate — to tell me that they thought I would win the election. I did not know what they were talking about. Why? Because as Senator Austin and I were debating, the email Senator Joyal just read had already been distributed. Had I known that, of course, I would not have said what I said yesterday.

I still say that this proposal is the second best choice. I would have preferred the entire membership of the Senate to vote, but so be it. I think it is good progress and I thank the senator. Having said that, it is the next best thing and I will bow out. I only wish to remind my colleagues that I am not campaigning for anyone. I will not put my name forward, but I would like to remind honourable senators that of the four members of the committee, two are from Quebec and two are from Western Canada. No senator from the four Atlantic provinces is on the committee. I hope the committee, in its secret deliberations, will take note of my representations.

[Translation]

# CANADIAN RADIO-TELEVISION AND TELECOMMUNICATIONS COMMISSION

OTTAWA—DENIAL OF LICENCE TO FRANCOPHONE RADIO STATION

Hon. Maria Chaput: Honourable senators, the Alliance des radios communautaires du Canada is still reeling from the shock of a decision by the CRTC, which has just refused to allocate one of the four licences for the Ottawa area to a French language community radio station in Ottawa. The CRTC has not granted the request for a radio broadcasting licence to Radio communautaire francophone d'Ottawa. This is a huge loss to all of this country's francophone and Acadian communities, and means one fewer member of the alliance, a network that currently represents 33 francophone and Acadian community radio stations across Canada, 19 in operation and another 14 under development.

The President of Radio communautaire francophone d'Ottawa has said:

It is inconceivable that the CRTC has not given a voice to the over 325,000-strong francophone community of the National Capital. Does the CRTC need to be reminded that the Canadian broadcasting system is comprised of public, private and community components?

Alliance General Manager Serge Paquin made the following comment:

The CRTC has missed an opportunity to enhance the vitality and development of French linguistic minorities in Canada and to foster the full recognition and use of French, as required of it by section 41, Part VII of the Official Languages Act.

This decision clearly reflects a lack of understanding of the potential contribution of community radio to the cultural, linguistic and community development of Canada's francophone and Acadian communities. This situation was made clear to the Standing Senate Committee on Official Languages last winter.

I am extremely disappointed with this decision by the CRTC, which, in my opinion, shows little comprehension of our reality. There is much work still to be done.

[English]

# **QUESTION PERIOD**

#### **FINANCE**

# BANK MERGERS—DELAY IN GUIDELINES

Hon. Donald H. Oliver: Honourable senators, my question is for the Leader of the Government in the Senate and it deals with bank mergers. On the June 28 edition of Don Newman's *Politics* show on CBC Newsworld, the subject of bank mergers came up and the Minister of Finance said the following:

We have the Bank Act review which comes up every five years which will be coming next year. And a couple to the mergers question once you're through that one-year process of bank act review. I'm taking that into account.

Mr. Newman then interjected to observe that this would push the decision on bank mergers to 2008, to which the Minister of Finance, Mr. Goodale, replied: "It would be 2007 if I accepted the advice."

In December, 2003, the Minister of Finance promised Canadians that bank merger guidelines would be released by June of 2004. In June he said the paper would be completed by September. In September he delayed the process, further announcing to the CBC that the federal bureaucracy was too busy with other tasks.

Could the government leader assure senators that the 2007 date is an absolute deadline for the decision?

Hon. Jack Austin (Leader of the Government): No, honourable senators.

Senator Oliver: Canadian banks need the permission of the Minister of Finance to merge. The Bank Act is not the impediment for the mergers; the Minister of Finance is the impediment. We continue to wait for the guidelines. Since this is now to be done in the context of the Bank Act review, is the government considering putting those guidelines into the Bank Act?

Senator Austin: I will make inquiries as to the process with respect to the bank mergers issue. I believe honourable senators have heard me say before that a number of issues must be dealt with and there are stakeholder interests with whom consultation is required.

Senator Angus himself, in asking questions, noted the issue of cross-pillar mergers, which is a very lively one in debates within the financial community.

I wish to advise the Honourable Senator Oliver that I will certainly make inquiries to see what information I can bring forth.

Senator Oliver: We were supposed to have a decision by last fall with respect to the guidelines, with no requirement that the matter be tied to the Bank Act review. Why has a review of the Bank Act emerged now as a precondition for a decision on whether banks will or will not be allowed to merge? Is this really nothing more than an excuse to put off the decision until after the next election?

Senator Austin: Honourable senators, I am not able to accept the premise of the question. I will take a look at the statement quoted by Senator Oliver as made by the Minister of Finance and seek to understand it and make enquiries.

• (1350)

# THE ENVIRONMENT

# PARKS CANADA—USER FEES

Hon. David Tkachuk: Honourable senators, on this July 1 weekend, my question relates to the issue of user fees at Canada's national parks and historic sites. According to Parks Canada's current plan, user fees at our national parks will increase by up to 56 per cent over the next four years. The average cost of an annual family pass for national parks will go from \$89 to \$139 in the same period of time. Could the Leader of the Government in the Senate explain to us the reasons for these large increases?

Hon. Jack Austin (Leader of the Government): Honourable senators, again, I will need to inform myself with respect to the announcements by Parks Canada. However, I am aware of the increasing costs of administering the national parks and the problems that have occurred due to enhanced public demand and foreign tourist demand for the use of our national parks. On the one hand, that is a very welcome event. On the other, it raises

the need for higher maintenance and, indeed, for new facilities. It has been the policy of government for several years to provide a revenue flow from those who use the parks, the so-called user-pay principle. As to the detail of Senator Tkachuk's question, I will check and try to advise next week.

**Senator Tkachuk:** These increases are quite high, a 56-per-cent increase over four years. Is it perhaps a deterrent fee to prevent people from coming to the parks?

Senator Austin: If that is the purpose of the policy, it would surprise me, honourable senators, because the parks have basically been created for the enjoyment of Canadians. Of course, conservation principles apply. The use of the parks is not intended to undermine the quality of the wildlife and vegetation in those parks or to spoil the natural beauty that was the initial reason for creating the parks.

Honourable senators, I will do my best to provide a policy statement by Parks Canada with respect to the enhanced user fees.

## AGRICULTURE AND AGRI-FOOD

PROBLEMS IN FARM COMMUNITY—
POSSIBILITY OF REVIEW
BY JOINT PARLIAMENTARY/INDUSTRY COMMITTEE

Hon. Leonard J. Gustafson: Honourable senators, I am almost concerned about asking these questions on agriculture because it is such a desperate situation. While our committees have done good work and have put out some positive suggestions, not much is happening to change the situation. We have experienced BSE or mad cow disease, global commodity prices at an all-time low, droughts and frosts. In Manitoba, Saskatchewan and Alberta, they now have floods.

I feel there is an absence in Bill C-48 of anything dealing with agriculture, so I wonder if an all-party committee could not be struck to look into the national problems that agriculture is facing. It is important to all regions of the country to have some kind of positive push from all political parties to look at this serious situation that will affect this whole country.

Hon. Jack Austin (Leader of the Government): Honourable senators, I concur in Senator Gustafson's description of the problems and difficulties that have been occasioned in our agriculture sector, and he has enunciated a number of those issues. As senators know, net farm income in this country has dropped dramatically as a result of these events.

The government has not waited for its budget bills to support various agricultural communities. Honourable senators are aware that more than \$2 billion has been placed behind the cattle industry, and additional hundreds of millions of dollars to assist the grain industry and other special agricultural sectors.

The idea of an all-party committee is one that I will certainly mention to the Minister of Agriculture. It would be a committee, I take it, in the other place, or perhaps a joint committee of the two chambers. A comprehensive study of the condition of Canadian agriculture is something that would do a great deal to inform the Canadian public of the circumstances.

Since I do not yet know, perhaps Senator Gustafson or the chair of the Agriculture Committee could inform us what the crop prospects look like for 2005. If the senator had a supplementary question, perhaps he could give us some information.

Senator Gustafson: Honourable senators, the crops in the areas where there has not been flooding look pretty good. The problem is with the flooding areas. A flood is harder to deal with than a drought. You can drive through a drought, but a flood you cannot. You cannot do anything about it except stand back and wait for the water to go down. The farmers that are facing flooding are in the most serious situation right now.

I would ask that it be a joint committee, not just of the Senate and the House of Commons, but also of the agricultural industry. I am pleased that the minister gives audience and listens to our requests, but he is also in a position of power where he can do something, and I would be pleased if he would.

Senator Austin: I wish I could do what I wanted to do because I am a minister, but those of us in this chamber who have been in the ministry know that negotiating with one's colleagues is a time-consuming and sometimes aggravating business. Each of us may have a little bit of something, but it is the collective cabinet that has the power.

Having said that, honourable senators, I want to use the opportunity of Senator Gustafson's question to come back to something that I have advocated for a long time. Senator Gustafson mentioned including persons from the agricultural community. Our Standing Senate Committee on Rules, Procedures and the Rights of Parliament has discussed what we called a Senate citizens' commission, although we have never enacted a rule to create such a body. If there is interest in this vehicle, I would be delighted to bring to the committee the background material that I have. The essential concept is almost what the honourable senator has said: It would be a standing committee or a special committee of the Senate which would include the public for the purpose of acting as participants in asking questions and giving special advice based on their knowledge. When it came time to write a report, of course, the non-senators would be discharged from the committee because only the senators can deal with a report and make a recommendation to the chamber. It is a vehicle that would make the Senate more accessible to the public and make its work more transparent. I think it would meet one of the public desires to be more involved early in the process, not simply after a decision or when a decision has virtually been taken.

I do not know whether that has any interest in this chamber, but as to Senator Gustafson's specific question, I will discuss the possibility of a joint Senate and House of Commons committee with the Minister of Agriculture.

Senator Gustafson: On a supplementary question; and I gave some consideration to whether I should even mention it. I phoned a representative of the Canadian Wheat Board the other day and he told me of the number of suicides amongst farmers because of the depressing situation. I know of four suicides just in my area. One honourable senator from Manitoba mentioned that a machine dealer in that region took his life a couple of days ago. God forbid, but this kind of thing happens. There are better ways

to respond; walk away, leave, do something else. I raise this matter only to let honourable senators know that this is a serious situation for Canada.

• (1400)

The Government of Canada must do something. This is a great country, as was said by leaders of both sides of the Senate earlier this afternoon. Canadians will hold us responsible if something significant is not done. We have the wherewithal to do something.

Senator Austin: As honourable senators will know from previous exchanges, I concur with Senator Gustafson with respect to the serious situation in parts of the agricultural sector, particularly in the grain sector at the moment.

In adding to what the honourable senator has said, we should do nothing to impair our access to important foreign markets for the products sold by the Canadian Wheat Board.

Hon. Wilbert J. Keon: Honourable senators, during the recent hearings of the Standing Senate Committee on Social Affairs, Science and Technology on the subject of mental health, I was dismayed to discover that the population in the Western provinces is so stressed out that they have set up communication and telephone networks for counselling because of the risk of suicide among some of the younger people and others. They seem to have totally lost their ability to cope with the disastrous situations they are facing. What will the Government of Canada do about this situation?

Senator Austin: Honourable senators, this is a serious situation. The first step for this chamber would be to receive the report of the committee on mental health and debate it here, and at the same time ensure that Canadians are made aware of the work of the committee and its conclusions.

I have no doubt in my mind that the study on mental health in Canada is one of the most important studies in recent times in the Senate. I am told that at one time or another mental health issues affect one out of five Canadians. That is an incredible fact that is not known by most people in Canada. Let us all make an effort to ensure that Canadians are made aware of the study and its importance. Then we will push the government to respond.

# **JUSTICE**

COMMISSION OF INQUIRY INTO SPONSORSHIP PROGRAM AND ADVERTISING ACTIVITIES—REPRESENTATION OF CROWN COUNSEL

Hon. Marjory LeBreton: Honourable senators, in response to a question posed yesterday by my colleague Senator St. Germain about Department of Justice lawyers making personal representations on behalf of Prime Minister Martin and former Prime Minister Chrétien at the Gomery inquiry, the Leader of the Government in the Senate said:

This policy is very long-standing, and it took place with respect to Prime Minister Brian Mulroney in certain events that may be recalled by Senator St. Germain and others at other times.

Can the Leader of the Government in the Senate inform us what these certain events were?

Hon. Jack Austin (Leader of the Government): Honourable senators, first of all, Senator LeBreton uses the phrase "personal representations" and counsel do not make personal representations, they make professional representations. Officials of the Ministry of Justice act in a professional capacity, not in a personal capacity.

What I was referring to generally yesterday, honourable senators, was that a number of persons in the Mulroney government were the subject of prosecutions and suits and Justice Canada defended those persons at the cost of the Government of Canada. That is entirely appropriate. That is the role of the Government of Canada with respect to its officials.

Senator LeBreton: Honourable senators, with respect, when I said "personal", I was assuming that lawyers are professionals at all times. I was referring to the representations that Justice department lawyers made personally about both Prime Minister Martin and former Prime Minister Chrétien even though they had personal lawyers representing them at the Gomery inquiry.

In his answer, the Leader of the Government of the Senate said, "... with respect to Prime Minister Brian Mulroney..." He did not mention the government. All honourable senators know that when actions are taken against ministers of the Crown or anyone involved in government, government lawyers often represent them. The minister specifically referred to Prime Minister Brian Mulroney and said, "... certain events that may be recalled by Senator St. Germain...."

I am simply asking that he, and he may not able to do it today, put on the record the certain events he was referring to in specific reference to former Prime Minister Brian Mulroney.

Senator Austin: Honourable senators, I was not referring to Prime Minister Brian Mulroney personally. I should have said with respect to Prime Minister Mulroney's era, the period in which he was Prime Minister. If I did not say that, I am clarifying it now.

Senator LeBreton: I thank the minister for that clarification. However, there are many examples, and certainly I know because I was in the Prime Minister's office when members of the public took action against a minister of the Crown and naturally the Department of Justice defended them. This particular question dealt with the Gomery inquiry which has a specific reference and mandate. The honourable senator did clarify. However, he made a reference directly to Prime Minister Brian Mulroney. Therefore, I would like to see — since the leader did try to clarify it — in the context of the Gomery inquiry, what certain events Department of Justice lawyers were acting upon or making favourable representations on behalf of former Prime Minister Brian Mulroney.

**Senator Austin:** Honourable senators, that was not my meaning, as I have just said.

Senator St. Germain asked me a question with respect to the role of government counsel at the Gomery inquiry. I went to some length to explain what the role was. Again, I had no intention of referring specifically to Prime Minister Mulroney, but to the Mulroney era in Canadian politics and the role of the Department of Justice in dealing with various ministers and officials at that time.

Senator LeBreton: Will the Leader of the Government in the Senate then provide for us — using the framework of the Gomery inquiry — what role the Department of Justice lawyers played in representing Prime Minister Brian Mulroney or one of his ministers in a similar type of inquiry, for instance, the Parker inquiry into the actions of Sinclair Stevens?

Senator Austin: Honourable senators, I will do what I can to provide some historical data. There have been a number of inquiries through the years.

If Senator LeBreton is saying that there were no government lawyers who were involved in an inquiry under the Inquiries Act in making representations on behalf of a government official or minister, I would be very happy to try to confirm that.

Senator LeBreton: Perhaps I could ask a final supplementary question so as not to make this too complicated. The minister spoke of certain events. Could he provide for us the certain events where Department of Justice lawyers worked on behalf of Prime Minister Mulroney or one of his ministers? We would like just the events, not all the details of the lawyers.

• (1410)

Senator Austin: Honourable senators, I would be happy to provide examples.

#### INFORMATION COMMISSIONER

ONE-YEAR EXTENSION OF TERM OF MR. JOHN REID

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, the term of John Reid, Parliament's Information Commissioner, is almost at an end. On June 15, by a vote of 277 to 2, the other place concurred in a report of its Standing Committee on Access to Information, Privacy and Ethics:

That the appointment of John Reid, the Information Commissioner of Canada, be extended by an additional term of one year, effective July 1, 2005. This recommendation would not preclude Parliament from further extending the appointment after the one year extension.

July 1 is tomorrow. As of today, there has not been — or, at least, I have not seen — any announcement of either a reappointment of Mr. Reid or of a replacement. As honourable senators know, the Information Commissioner is an officer of Parliament.

Could the Leader of the Government in the Senate advise the Senate as to whether or not Mr. Reid has been offered the one-year extension endorsed by the other place in that vote of 277 to 2, and does the government intend to respect that motion?

Hon. Jack Austin (Leader of the Government): Honourable senators, I regret to say that I have no information to provide on this topic.

**Senator Kinsella:** Honourable senators, hopefully somebody will be carrying out the duties of an officer of Parliament in the area of access to information.

[Later]

**Senator Austin:** Honourable senators, may I have leave to speak to a matter raised earlier?

Senator Prud'homme: A general election was called?

Senator Austin: No, but I had a request from Senator Kinsella, and I always want to respond with alacrity to anything he asks me to do

The government has announced a three-month extension to the term of Information Commissioner John Reid, effective immediately.

### JUSTICE

# POSSIBILITY OF NATIONAL MEETING OF MINISTERS RESPONSIBLE FOR HUMAN RIGHTS

Hon. Noël A. Kinsella (Leader of the Opposition): On a different topic, honourable senators will know, and our colleagues serving on the Standing Senate Committee on Human Rights have expert knowledge, that much federal, provincial and territorial collaboration must occur for Canada to meet its international human rights obligations, whether in the reporting process or in the compliance process. There has not been, in over a decade, a federal-provincial-territorial meeting of ministers on human rights.

Will the Government of Canada assume the leadership that it used to exercise in convening, from time to time, a meeting at the ministerial level of ministers responsible for human rights legislation in Canada, in the provinces and in the territories?

Hon. Jack Austin (Leader of the Government): Honourable senators, I will certainly make that same representation just made by Senator Kinsella to my colleagues in cabinet, particularly the Minister of Justice.

While I am on my feet, the Minister of Justice has advised me that he is prepared to support Senator Kinsella's bill, Bill S-41, with certain amendments to make it comply with international practice.

Senator Kinsella: I thank the honourable minister for that good news. Obviously, the role of this place is to consider legislative proposals, have wholesome debate and be open to creative, innovative and important amendments with all pieces of legislation. I look forward to that debate.

By way of a supplementary question, the chair of the Standing Senate Committee on Human Rights reminds us that it may be more than 15 years since there has been a meeting of federal, provincial and territorial ministers with responsibility for human rights legislation, domestic legislation as well as that coordinated responsibility for Canadian compliance with the international human rights instruments. I thank the minister also for offering to make that representation.

# DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I have the honour of presenting two delayed answers to oral questions. The first is in response to a question raised on June 8 by Senator Oliver regarding debit fraud.

[Translation]

Then, I would like to table an answer to an oral question raised on June 21, by Senator Comeau, concerning the annual report of the COL and services to Acadians on Prince Edward Island.

#### **INDUSTRY**

## **DEBIT CARD FRAUD**

(Response to question raised by Hon. Donald H. Oliver on June  $8,\,2005$ )

Industry Canada repeats survey questions over time in order to identify trends. In this case, there is an apparent trend to rapidly-increasing debit card fraud. That is, in 2001, Ekos found that roughly 1 per cent of Canadians had been the victim of debit card fraud; by 2004, this had risen to 4 per cent.

The cost of the questions asked in 2003 was \$5,280.00; in 2004, it was \$3,780.00.

The responses to these surveys were forwarded by Industry Canada to the current chair of the Electronic Funds Transfer Working Group, Finance Canada. The EFTWG oversees the Canadian Code of Practice for Consumer Debit Card Services. This is a voluntary code.

Direct payment via debit card became available nationally in 1994. Use by Canadians for direct payments grew from about 395 million transactions in 1995, to over 2.8 billion transactions in 2004, for a total dollar value of goods and services purchased of over \$120 billion. On a per capita basis, Canadians use debit cards more than anyone else in the world.

# OFFICIAL LANGUAGES

## ANNUAL REPORT OF COMMISSIONER— PRINCE EDWARD ISLAND—SERVICES TO ACADIANS

(Response to question raised by Hon. Gerald J. Comeau on June 21, 2005)

The Commissioner indicates in her annual report that given the insufficient volume of observations that were conducted in relation to the established sample, the results for Prince Edward Island are not necessarily representative of the services offered and must therefore be used with caution. Thus, it is not really possible to draw specific conclusions on the basis of the results for that region.

It should be noted that as of March 31, 2005, 424 of the 455 incumbents of bilingual positions in Prince Edward Island met the language requirements of their positions. Therefore, the capacity to greet the French-speaking public is much greater than what is reflected in the Commissioner's report.

The government is committed to enhancing the vitality and supporting the development of official language minority communities in general, and Acadians in particular. It was to that end that the government unveiled in March 2003 its Action Plan for Official Languages, a five-year, \$750-million plan that places strong emphasis on the development of these communities.

The Public Service Human Resources Management Agency of Canada is working to implement the Action Plan's component on creating an "exemplary Public Service," which deals in particular with services to Canadians. As part of its efforts, the Agency conducts, among other things, awareness activities for institutions and federal councils. The Agency will focus specific attention on the Prince Edward Island region in the context of its awareness activities. The Prince Edward Island Federal Council has already been contacted about this matter. The Agency will thus be working with the federal council's official languages subcommittee on this issue.

[English]

# ETHICS COMMISSIONER

# 2004-05 ANNUAL REPORT TABLED

Leave having been given to revert to Tabling of Documents:

The Hon. the Speaker: Honourable senators, I have the honour to table, pursuant to section 72.13(1)(b) of the Parliament of Canada Act, in both official languages, the annual report of the Ethics Commissioner for the fiscal year ending March 31, 2005.

# ORDERS OF THE DAY

## **BUSINESS OF THE SENATE**

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I would like to call the bills in the following order: No. 1, Bill S-38; No. 2, Bill S-37; No. 4, Bill S-40; and finally, No. 3, Bill C-48.

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I have a comment on the order that we will follow. It is clearly the prerogative of the government to call government business in whatever order it wishes, although I am wondering whether there is an explanation as to why a budget bill, namely Bill C-48, would not be considered by the government to be a matter of priority rather than to be way down on the list of bills to be called. I find that extraordinary.

Senator Mercer: It is in the top five.

Senator Rompkey: It is simply the parliamentary order in which the bills are in. We are beginning debate on the budget bill. The others are nearing the end of their parliamentary process. I thought it would be useful to try to get through those and then begin the debate on the budget bill. However, I am not committed to the order. I propose that order, but it can be changed.

# CRIMINAL CODE CULTURAL PROPERTY EXPORT AND IMPORT ACT

# BILL TO AMEND—THIRD READING—DEBATE ADJOURNED

Hon. George Baker moved third reading of Bill S-37, to amend the Criminal Code and the Cultural Property Export and Import Act.

He said: All honourable senators understand what is in this bill and what it does. It has the approval of both sides of the house. It amends the Criminal Code and the Cultural Property Export and Import Act by simply incorporating and enacting into domestic law in Canada the provisions of the 1954 Hague Convention concerning cultural property in areas of armed conflict.

There is nothing extraordinary about the bill except that Canada will become the first of the G8 nations to recognize the second protocol of the Hague Convention concerning this matter.

• (1420)

Honourable senators, I recommend third reading of this bill, which will actually incorporate into Canadian law the 1954 Hague Convention and all of the provisions within the meaning of that convention.

On motion of Senator Stratton, for Senator Johnson, debate adjourned.

## HAZARDOUS MATERIALS INFORMATION REVIEW ACT

BILL TO AMEND-SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Cowan, seconded by the Honourable Senator Eggleton, P.C., for the second reading of Bill S-40, to amend the Hazardous Materials Information Review Act.

Hon. Ethel Cochrane: Honourable senators, I am pleased to say a few words today at second reading of Bill S-40.

The existing legislation sets out how confidential business information, commonly known as trade secrets, should be dealt with under the Workplace Hazardous Materials Information System. This is a system used across the country to inform employers and employees about hazardous materials in the workplace. The bill before us today proposes to change the act in three main areas.

The Workplace Hazardous Materials Information System was jointly developed by industry, labour, and federal, provincial and territorial governments. It was enacted through several pieces of federal legislation and in the provinces through their occupational health and safety legislation.

This particular system requires the makers, importers and distributors of hazardous materials to provide information on the risks associated with these problems. They must provide the people who work with controlled products with instructions in a variety of areas, such as proper storage, transportation, handling, disposal, and of course first aid treatment. This information is placed on a product's mandatory material safety data sheet or label. The data sheets are used in required workplace safety training programs for the employees. The sheets must be updated every three years or when a change occurs.

I am sure that honourable senators will agree that the safety of individuals in the workplace is of utmost concern. It is also important to uphold the right of a manufacturer to keep their secret chemical ingredients away from their competitors. The current process under the Hazardous Materials Information Review Act provides a process by which manufacturers can prove their compliance with the law and make safety information available to workers while at the same time protecting the privacy of their business information.

Under the current system, suppliers and employers may file a claim under the Hazardous Materials Information Review Commission to exempt the disclosure of a chemical's identity, the concentration of an ingredient of a controlled product, or the name of a study which identifies any ingredient of a controlled product. The commission then decides if the claim is valid.

Honourable senators, as I said earlier, this bill amends the existing legislation in three main areas. First, it changes the information that must be provided by a manufacturer or an employer to substantiate an exemption claim. Currently, claimants must provide a full economic justification for their

exemption claims based on their private business information. This bill will change the legislation to state that an exemption claim can contain a declaration stating that the information provided to support the exemption is confidential business information and that it will be provided upon request. An exemption claim must also contain a summary of the information supporting the claim, and it must be accompanied by a material safety data sheet.

A screening officer with the Hazardous Materials Information Review Commission may ask the claimant to provide the information if an affected party makes a written representation relating to the claim or if the information must be verified.

Second, Bill S-40 would add a new section to this act to deal with the authority of screening officers and what are known as undertakings. If a screening officer determines that a material safety data sheet related to an exemption claim does not comply with the Hazardous Products Act, or even the Canada Labour Code, they may send an undertaking to the claimant. It would set out the measures required for compliance within a specific period of time without requiring that the claimant disclose their confidential business information.

The bill lays out the procedure to be followed if the claimant agrees to follow the measures that will enable it to comply with the law. However, if the screening officer is not satisfied that the claimant has taken the necessary measures in the specified time period, they may issue an order to comply with the Hazardous Products Act or the Canada Labour Code. The chief screening officer may have published in the *Canada Gazette* decisions and orders relating to exemption claims and compliance orders.

Finally, this bill would change the act to allow claimants and affected parties to appeal these decisions and these compliance orders. The current legislation does not allow any participation by the commission in the appeals process. A screening officer's record of the undertaking and any clarifications made by the commission would be added to the basis upon which an appeal board will hear an appeal. An appeal board may dispose of an appropriate order.

Honourable senators, I am of the opinion that this bill should proceed to committee for further examination. During that study, I hope the committee will confirm the level of provincial input into the formation of these amendments and the subsequent level of support they have received from each of the provinces.

The federal government received approval from the provincial and territorial representatives on the commission's advisory body, the Council of Governors, and not direct approval from the provincial ministers. The Hazardous Materials Information Review Act states that the council may contain as few as four provincial and territorial representatives.

I also note that the federal government says that industry and organized labour have expressed their support through their council representatives.

Perhaps the committee will also look into the length of time it took to craft and bring forth these amendments. According to the commission, it began a renewal program in 1998, partly to address stakeholder concerns with certain aspects of the review process and, of course, the appeals process. Four years later, in 2002, it brought forward proposed amendments that were recommended to the former Minister of Health, Anne McLellan.

Another three years passed before this legislation was introduced by the government here in the Senate. The process that was taken to identify these problems, to draft suitable amendments and to present them to Parliament has moved at a very slow pace, as I am sure honourable senators would agree.

I am sure these questions and any others that may arise will be carefully studied during the committee's examination of this bill.

The Hon. the Speaker pro tempore: Are senators ready for the question?

Hon. Senators: Question!

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

(1430)

#### REFERRED TO COMMITTEE

The Hon. the Speaker pro tempore: Honourable senators, when shall this bill be read the third time?

On motion of Senator Cowan, bill referred to the Standing Senate Committee on Social Affairs, Science and Technology.

# BILL TO AUTHORIZE MINISTER OF FINANCE TO MAKE CERTAIN PAYMENTS

#### SECOND READING—DEBATE ADJOURNED

Hon. Art Eggleton moved second reading of Bill C-48, to authorize the Minister of Finance to make certain payments.

He said: Honourable senators, I am pleased to speak today on second reading of Bill C-48, which proposes further investments in the priorities of Canadians.

Before I say anything else about this bill, let me emphasize two points. First, these investments will be made from unplanned surplus funds. In fact, the bill states that any spending is conditional on their being a surplus of at least \$2 billion in the two fiscal years 2005-06 and 2006-07 or this money does not get spent.

Second, while the New Democratic Party was involved in the establishment of this particular bill, it would be a mistake for any of my honourable colleagues to call this an NDP bill because the investments are based on Liberal programs and Liberal government priorities.

What are these priorities? These are priorities that all of senators would support: for example, \$1.6 billion for affordable housing; \$1.5 billion for post-secondary education; \$900 million to the environment; and \$500 million for international assistance. I wanted to get something for Toronto, but that is the extent of the list.

The Government of Canada has made significant investment in these important areas in recent years and Bill C-48 enhances those investments.

## [Translation]

At one time, we were in no position to make these additional investments. My colleagues will undoubtedly remember the annual deficit in excess of \$40 billion we inherited when we took over the government. Furthermore, the economy was weak, the unemployment rate was high, and consumer and business confidence was low.

# [English]

In the 1992-93 fiscal year, the last full year of a Conservative majority government under Brian Mulroney and Kim Campbell, federal spending as a share of GDP reached a watermark level of 16.8 per cent. Even after we consider this year's budget bills, government spending is approximately 12 per cent of GDP—12 per cent under a Liberal government versus 16.8 per cent under a Conservative government. That is quite a difference. We are proposing this bill within a balanced budget, with no deficit spending and with further reduction of the debt.

Further, honourable senators, Bill C-48 increases the ratio of government spending by only 0.1 to 0.2 per cent of GDP. This is hardly a reckless spending spree.

It is the government's strong fiscal management, coupled with hard work and sacrifices that Canadians have made over the years, that has put us where we are today. The Canadian economy is strong. The unemployment rate is close to a 30-year low. Consumer and business confidence is strong. What is more, since 1997 Canada has posted the best improvement in living standards in the G7.

Coupled with that, this sharp improvement in our standard of living compared to our G7 colleagues has been driven by a combination of the fastest growth in the share of the population that have a job, and solid productivity performance. In fact, the OECD expects Canada to be amongst the fastest growing G7 economies this year and next, second only to the United States.

There is more. Canada will record its eighth consecutive surplus in 2004-05, a record unmatched since Confederation, a record never achieved by any Conservative government.

Canada's much-improved fiscal situation has allowed this government to make significant investments in the priorities of Canadians. Once the fiscal situation turned around and we balanced the books, the government began the process of paying back Canadians for the sacrifices they had made. We reduced taxes; we put money into health care and education; we invested

in infrastructure, research, innovation, national security and the environment. Bill C-48, the bill before us today, builds on those investments in a number of key areas.

Let us take a moment and look them individually. First, the bill proposes \$1.6 billion for affordable housing initiatives. This government recognizes the importance of strong communities, which are the social and economic foundation of this country. Whether it be in cities or villages, our communities have a significant bearing on our quality of life.

# [Translation]

The economy is strong, but rental housing is still expensive and in short supply, particularly in major urban centres. As a result, a number of Canadians, especially low-income earners, have difficulty finding affordable housing. In order to resolve this problem, the Government of Canada has invested \$2 billion in programs to help alleviate homelessness and create affordable housing. These programs have not yet been fully implemented. In most instances, program funding will continue to increase over the next year.

# [English]

One example of what we have done is illustrated by Budget 2001, which announced \$680 million over five years to help increase the supply of affordable housing. Bilateral cost-sharing agreements were subsequently signed with all 13 provincial and territorial jurisdictions in Canada. A top-up of \$320 million over five years was announced in Budget 2003, bringing the total federal investments in affordable housing to \$1 billion over six years.

Honourable senators, the government continued to do more in the 2003 budget when it announced the three-year renewal of the government's housing renovation programs at a cost of \$128 million per year. These programs support the renovation and renewal of the existing stock of affordable housing and help low-income persons with critical housing repair needs.

It is important to mention that the government continues to spend some \$1.9 billion per year in support of existing social housing units. It is on that basis — that Liberal government program — that we continue to build with this additional investment.

Let me take a few moments to talk about an issue of particular concern to the government — homelessness. It is a particular concern of mine, considering the impact it has on large urban centres such as my own hometown of Toronto.

The issue is without a doubt complex; both the people and the factors that have led them to becoming homeless are varied and diverse. The Government of Canada needed to take action, so it announced the National Homeless Initiative in 1999, a three-year plan to help ensure community access to programs, services and support for alleviating homelessness in communities located in all province and territories. In Budget 2003, the government renewed the initiative for an additional three years and a further

investment of \$405 million. Under this program, communities will be provided with the support they need to further implement measures to help homeless individuals and families become more self-sufficient. The mayors of cities all across the country have sung the praises of that program for the help it has provided in countering homelessness. This bill builds upon these worthy initiatives by providing additional funding for affordable housing.

• (1440)

In recognition of the critical shortage of adequate housing on our First Nation reserves, Bill C-48 also includes new funding for Aboriginal housing. It is important to note that this funding is not tied to matching funds from other jurisdictions. We are not forcing the provinces or the municipalities to put in additional money.

Post-secondary education remains a priority for the Government of Canada. It is key to the future prosperity of the country. The government recognizes the importance of a solid education in today's competitive workplace. The government's primary support for post-secondary education is through transfers provided to the provinces and territories under the Canada Social Transfer. In addition, almost \$5 billion a year in direct support is provided through such initiatives as financial assistance for students, measures to encourage families to save for the post-secondary education of their children, funding of university research and research infrastructure, and generous tax measures to recognize the costs of pursuing a post-secondary education. These measures were all introduced in the last few budgets.

The second proposal in Bill C-48 supplements these existing measures to help Canadian students attain their educational goals. Specifically, it will provide \$1.5 billion to increase access to post-secondary education, with a substantial portion to support students from low-income families, as well as training money to supplement labour market agreements.

The third part of Bill C-48 proposes \$900 million for environmental measures, the bulk of which will be focused on helping municipalities to improve their public transit systems.

# [Translation]

Honourable senators, long before it introduced this bill, the government had already taken steps to help Canadian communities assume the cost of their infrastructure. For example, in Budget 2004, the Government of Canada began to implement elements of the New Deal for Cities and Communities by giving the municipalities a full rebate of the GST. Thanks to this initiative, municipalities will have access to more than \$7 billion over 10 years in order to fund their urgent infrastructure needs, such as roads, public transit and water treatment systems.

The full rebate of the GST represents a significant source of ongoing, stable and long-term funding for all municipalities throughout Canada.

[English]

We did not stop there. The sharing of a portion of the federal gas tax revenue under the New Deal for Cities and Communities in the amount of \$5 billion over the next five years will also contribute to environmental sustainability. These funds will be invested in important municipal infrastructure projects, one of which is public transit.

Although the major portion of the \$900 million for environmental measures in Bill C-48 is aimed at public transit, it is important to mention that a part of the money will go to helping low-income individuals and families retrofit their homes and make them more energy efficient. This will complement an existing program, the EnerGuide for Houses Retrofit Incentive, which encourages Canadians to take action and make energy efficiency improvements to their homes that can increase comfort and reduce energy bills.

Honourable senators, the final proposal in this bill is the \$500 million for international assistance. Canada's growing prominence in the global community has made providing assistance to developing countries an issue of major concern to the Government of Canada and the people of Canada, particularly with respect to debt relief for the most heavily indebted poor countries in Africa.

Canada has been very active on this file. In fact, Canada has a long tradition of leadership in this matter. It was in the 1990s, largely at the initiative of the Prime Minister, who was the Minister of Finance at the time, that the issue of debt relief was given particular focus and emphasis in the international arena around the G7, the G8 and ultimately the G20 meetings. The Prime Minister continues to champion debt relief for poor countries. Bill C-48 forms an integral part of this action by proposing additional funding for international assistance. That new money will help ensure that money goes where it is most effective and will do the most good.

In closing, honourable senators, each proposal contained in this bill complements existing commitments that the government has made to Canadians. This is part of the continuation of a program developed through a number of budgets over the last few years. As long as we achieve the threshold of \$2 billion in surplus, Bill C-48 will allow us to do more. How it is best to deliver on these commitments will be determined through consultations with affected parties and the various departments involved, although I have given you some indication of some of the priorities, such as public transit and retrofitting.

I reiterate that any new spending is conditional upon there being a surplus of at least \$2 billion in the next two fiscal years. The Prime Minister, the Minister of Finance, and the government as a whole have made it clear that we are not going back into deficit. We have proven that we know how to properly manage the finances of this country over more than a decade, and that will continue.

I ask honourable senators for their support for this bill.

Hon. Senators: Hear, hear!

Hon. Donald H. Oliver: Honourable senators, I heard Senator Eggleton stress on three occasions that, if the threshold of a \$2-billion surplus is not reached, payments will not be made pursuant to this bill. Does that mean that there can be no payments until the end of this fiscal year, when the government will be able to determine whether it has achieved a \$2-billion surplus?

Senator Eggleton: There would certainly have to be assurance that the \$2-billion threshold will be met, and I could not say exactly when we would have that assurance. The safest course of action would be to wait until the end of the year. I am sure that the timetable for payments will be worked out on the basis of an assurance that the surplus is in place.

Senator Oliver: Is there currently a plan to spend money prior to the end of this fiscal year to fulfill the housing and other commitments the honourable senator addressed? Will there be parliamentary scrutiny of the plan for how and when these payments will be made?

Senator Eggleton: We do not plan to spend any money not yet in place. The plan will only be executed when there is money to spend. As I indicated, there are already programs in place in each of these areas that can form the basis of this additional expenditure. Those are things to be worked out with the departments and the stakeholders in the areas of, for example, housing and environment before the expenditures are made.

First and foremost, we need to achieve the \$2-billion surplus.

Senator Oliver: Does the honourable senator know whether there is currently a strategic plan in place that indicates how and when specific spending can take place on such things as housing?

Senator Eggleton: No plan is in place as yet, because the money is not yet assured. As the Minister of Finance recently said, the departments will be examining various options and talking with the stakeholders with the aim of developing the plan.

• (1450)

Senator Kinsella: How do you know how much money you need then?

Hon. Gerald J. Comeau: I will not get into the question of taking the credit for how the government got out of its deficit situation. We could mention free trade, the GST, the increases in UI, the cuts in health care over the years and so on. We will not touch that subject for the moment, however. That is a different subject.

I come back to the point. This is a two-page document prepared by Buzz Hargrove and Jack Layton. In the process of accepting the proposal, it undermined in an extreme manner the credibility of the Minister of Finance. Had it happened to one finance minister, our present Prime Minister, back in his day it would have been seen as quite incredible. However, that is not the point.

My colleague alluded to the fact that there is no plan in any of the documents tabled today. I know the honourable senator has gone through quite a bit of the history, but there is no plan whatsoever. This is one of the great problems and the hallmarks of this current government. This government keeps thinking that the measure of a government's ability is through the amount of money thrown at a problem. We have seen the results of that practice over the years, such as in the firearms program where the \$2 million earmarked for firearms' registration came out to \$2 billion in the end. We have seen it with the HRDC boondoggle. We have also seen it as a response, and what led to the sponsorship scandal in Quebec as a result of the 1995 referendum. In that case the government thought just throwing money at the problem would solve it. Again, we seem to be hitting the same kind of measure that the government uses to deal with its commitment to Canadians, that is throwing money at the problem.

On the question of the plan, I have a specific question for the minister. He noted that there would be money for public transit. Could the honourable senator indicate whether some of this money for public transit will go to rural areas as well as to urban areas?

Senator Oliver: Good question.

Senator Eggleton: Perhaps the Honourable Senator Comeau does not want to refer to the difficulty we had with respect to deficits, but I will say this: It is because of the poor fiscal management of the Conservative government. That is the reason. It took a lot of determination on the part of a Liberal government, whose Minister of Finance was our present Prime Minister, to get us out of the mess we were in — to get us from a situation where we were being referred to as the basket case of the G7 to where we are now, one of the best and strongest performers in the G7. That is something that was accomplished by the Liberal government and not by the Conservative government.

With respect to the firearms, I am sorry to hear the senator keep raising this issue because that particular program is a success in terms of saving the lives of Canadians. It is a success in terms of giving police access. There are 2,000 hits a day on that system because of information that the police want. It is supported by well over 70 per cent of Canadians. Why not get with it and start to support something that is helping to protect the lives of people in this country?

If the honourable senator wants to talk about the track record, I can repeat a lot of my speech, both on this bill and on Bill C-43. In eight years of consecutive surpluses we have created more jobs than most other countries in the G7. The economic performance is there, it is solid and it is something that this government, together with the people of Canada, have helped to ensure.

This is not throwing money away and this is not throwing money at a problem. I tell you, this is building on existing programs. The honourable senator likes to speak about Buzz Hargrove and Jack Layton. Yes, we all know the NDP end of it and we all know the realities of minority government. We all know that Bill C-43 was standing on its own until Mr. Harper decided to pull the plug on it because he wanted to pull the plug on the government. The opposition is saying that the government must remember that it is in a minority situation, that it cannot act

like a majority and must be prepared to talk. Then when the government started talking with another party because Mr. Harper did not want to continue to support the government on the budget, what else would you expect?

Hon. Senators: Hear, hear!

Senator Eggleton: Of particular importance here is not the Layton and Hargrove involvement, but that these programs continue to follow the government's priorities. Is the honourable senator against affordable housing investment? Is the honourable senator against environmental protection? Is he against investment in post-secondary education? It cannot be said that that is throwing money away. That is putting money where Canadians want it so it can be invested in their future.

Hon. Senators: Hear, hear!

Senator Comeau: I will repeat what I said before: Thank God that the former Prime Minister changed his mind on ripping up the Free Trade Agreement, changed his mind on ripping up the GST and changed his mind on a whole number of things which made it possible for the senator to snap his suspenders today and say how great his government is.

Regarding that crack about wasting money, I did not comment about wasting money. I said "throwing money at problems without a plan." Those are the words I used. Give us a plan. The proposals are all things we can all support on this side. Do not accuse us of not supporting affordable housing. Do not accuse us of not supporting Protection of the environment. Do not accuse us of not supporting Aboriginal communities. These are all things we support and we have for years. What we do want to do and what we intend to do is to be able to have a plan so that we make it right. We do not throw away money at problems, like I mentioned with the firearms.

When the firearms program registration was brought together, had we looked at it and said, "We have \$2 billion. Do we use it on registering firearms from law-abiding citizens or spend it on setting up youth centres and border controls and all kinds of things we might have come up with in considering a different solution?" However, that involves a plan. That is what we are trying to get at here.

My question is a very specific one, which I posed in my original question to the honourable senator. Is there any money in this budget for public transit, for rural as well as urban areas?

**Senator Eggleton:** I only wish the Conservative government had had a plan for deficit reduction and stuck with it, but obviously it did not. That is why we had to take action.

However, I will specifically answer Senator Comeau's question. Yes, the new deal for the cities and communities involves rural areas. I believe the \$800 million that has been assigned for transit would involve transit, regardless of whether it is urban or rural. The intent of the government on the infrastructure program has been to bear in mind, as I think I said, cities, big and small, and villages; all will be part of the infrastructure programs.

Senator LeBreton: Good answer, Mr. Mayor.

Hon. Leonard J. Gustafson: It is probably dangerous to ask the honourable senator a question when he is on a roll like this.

(1500)

I was quite concerned when I heard that business leaders—heads of the Royal Bank, heads of other banks, heads of the business community, heads of the Power Corporation—came out and said they were concerned about the reckless spending that the Prime Minister and Mr. Layton put upon the Canadian people and that our standard of living might be seriously affected. Can the honourable senator explain why these business leaders are so exercised and concerned?

Senator Eggleton: The honourable senator raises a good point because some business leaders have made comments. I have not had the opportunity to read their comments directly. I have read press reports of what they supposedly said, but I do not know how accurate they are. The press is certainly categorizing the situation in a way that I would suggest is not correct. It is ill-informed.

I can understand people would have concerns and would want to express them. They want to ensure that we do not go in that direction. That is a fair comment. This government has demonstrated, both in the past and with the commitments that the Minister of Finance has made, that no, we will not go down that slippery path back into deficit or the negative economic situation we had at one time. We have made that abundantly clear. In that respect, what the business leaders say is quite useful, but to suggest that this is reckless spending is not correct at all.

Senator Gustafson: Representatives of the business community, 150 major business leaders in Canada, made this statement. One cannot take that as anything but being serious. I ask again, how can the honourable senator condone the reckless spending that went on? It seemed there was money for everything. There was money to buy a minister's position. It seemed there was money for everything if it was politically convenient.

Senator Eggleton: Honourable senators, the only reckless spending I condemned was that of the Conservative government whose spending climbed to 16.8 per cent of GDP, whereas our government has kept federal spending down to 11 or 12 per cent of GDP. As I pointed out in my remarks, Bill C-48 only increases the spending this year by 0.1 to 0.2 per cent. How can those opposite say that 0.1 to 0.2 per cent is reckless spending? That is just not true. It is just not the case.

Again, I respect the business leaders' desire to see that we continue upon a sound fiscal path. That is reasonable. Clearly, the record of the government is to that effect. Clearly, the commitment of the finance minister and the Prime Minister is to that effect.

Hon. Noël A. Kinsella (Leader of the Opposition): If I jotted down my note correctly, the honourable senator mentioned that

most of the \$900 million for public transit will go to the City of Toronto. Is there a plan that most of it not go to Toronto? Is any of the funding going to the public transit system in Saint John, New Brunswick?

Senator LeBreton: Or Edmonton, Alberta?

**Senator Kinsella:** Is there a plan that lays out the process as to how the \$900 million for public transit will be distributed?

**Senator Eggleton:** The honourable senator asks a good question. When Bill C-48 is referred to committee, which I hope will be soon, officials will have an opportunity to report on the details of how they see that money being distributed.

As I understand it, the money is, to a great extent, being distributed on ridership. Sure, the City of Toronto has a fair bit of ridership. However, it has always been the intent of the government to ensure that all sizes of communities are included in the infrastructure funding program.

**Senator Kinsella:** Finally, how much will student indebtedness be reduced by the provisions contained in Bill C-48?

Senator Eggleton: That again, honourable senators, will be worked out by the departments in discussion with the stakeholders. My honourable friend should also ask that question of the Minister of Finance when he appears before the committee. I hope the opposition leader will want to get the bill there very soon.

Hon. Madeleine Plamondon: I think this is a very good bill. My concern is that if the \$2 billion threshold is not met, what would be the government's priority? Would it be the environment? Would it be post-secondary education? How do I know the priorities?

Senator Eggleton: That is an excellent question, and it should be put to the minister at the committee hearings. Obviously, if the \$2 billion threshold is not reached, nothing is spent. However, I believe the question is, what if the amount is over \$2 billion but not quite enough to do all of this, which is \$4.5 billion? This is \$4.5 billion over two years. It would not necessarily have to be done in one year. How it would be apportioned at that point, whether it be proportionate to this allotment of the \$4.5 billion, I do not know. I would certainly want to find that out, and we should explore that in committee with the minister.

Hon. Lillian Eva Dyck: In his opening remarks, the honourable senator referred to this bill as a Liberal bill and indicated that the NDP played a minimal role in it. It is quite clear to everyone here that the NDP played a big role in this bill.

I am in the unusual position of being the only NDP senator. As we all know, the official platform in the federal NDP is that they do not believe in the Senate. We are working out a relationship.

Hon. Senators: Hear, hear!

Senator Dyck: However, I have not been privy to the inner workings of the NDP caucus. Nonetheless, I feel obliged to stand up and say that the NDP did play a big role in this budget bill, and they were responding to the needs of constituents. This bill contains items with which no one in this house would disagree. They are motherhood issues. The questions are with respect to the process and the plan.

In his opening remarks, did my honourable friend say that this was strictly a Liberal bill and that the NDP did not play a role in it?

**Senator Eggleton:** First, I agree wholeheartedly with the honourable senator's comments.

Second, I was not quantifying the NDP involvement. It was a big involvement, I agree. I was attempting to pre-empt some of our colleagues here who would want to call it an NDP bill. I wanted to point out that while there was a big involvement, still, the spending or the investments are based on Liberal programs and priorities in those areas.

**Hon. David Tkachuk:** Honourable senators, I am pleased to respond on behalf of the official opposition to Bill C-48. This being the July 1 weekend, there was quite a celebration in that hotel room — \$4.5 billion.

We live in a wonderful country, and this is a remarkable bill. It moves the authority of the House of Commons over the public purse to the cabinet. That is something we should all be concerned about as former parliamentarians in the other place and as parliamentarians in this place. It is as if the government asked for \$1 billion for defence but gave no details to the MPs as to what it was for. While most members might deem it positive to have extra money for defence, not knowing what it was for would make it very difficult to debate.

Former Prime Minister Pierre Trudeau said backbenchers were inconsequential. His exact words were, "When they get home, when they get out of Parliament, when they are 50 yards from Parliament Hill, they are no longer honourable members. They are just nobodies." This Prime Minister has saved them the walk. No longer do they have to travel 50 yards from the Hill. They are nobodies while they sit on his backbench. Judging by how this budget deal was hatched, they are nobodies even when they sit in his cabinet.

Through this bill, the government seeks authority to spend some \$4.5 billion, without a plan and without offering Parliament any information as to what the executive can be held accountable for — \$500 million for foreign aid; \$900 million for the environment, including an energy efficient retrofit program for low-income housing, whatever that is; \$1.5 billion for training and access to post-secondary education; and \$1.6 billion for affordable housing. That is all stated in a bill of this size, 380 words for \$4.6 billion. They are a generous lot, this government.

• (1510)

The events leading up to this bill are well known. The Minister of Finance tabled a budget on February 23, 2005, following months of consultation that included pre-budget hearings by the Finance Committee of the other place during November and December. The budget was approved in principle on March 9.

The Minister of Finance was adamant that no changes could be made to the budget. Indeed, on April 8, 2005, in *The Star Phoenix*, Mr. Goodale spoke of the possibility that the Conservatives might attempt to change the environment provisions of Bill C-43. He said:

You can't go on stripping away piece by piece by piece of the budget.

You can't, after the fact, begin to cherry pick: "We'll throw that out and we'll put that in, we'll stir this around and mix it all up again." That's not the way you maintain a coherent fiscal framework.

If you engage in that exercise, it is an absolute, sure formula for the creation of a deficit.

Meanwhile, the Prime Minister and his party were the subject of startling testimony from the Gomery inquiry, with stories of kickbacks and envelopes fat with cash being delivered to party faithful and to the Liberal Party itself.

The Prime Minister was a little desperate and Jack Layton saw an opening. On April 18, Mr. Layton said that he would be willing to prop up the government if the Prime Minister would be willing to withdraw the corporate tax cuts and make other changes to his budget. What he wanted precisely was unclear.

The Canadian Press on April 18 quoted him as wanting changes that would deal with Ontario's fiscal imbalance. That is good of him. The *Toronto Star* of April 19 had him calling for more money to be spent on education, child care, cities and the environment. There was not a word about the crisis in agriculture or the problems in the fishery.

A few days after the reports on the NDP wish list, the Prime Minister agreed to meet with Mr. Layton to hammer out a deal. The Minister of Finance was not amused. On April 26, *The Leader-Post* carried this report:

...Goodale said there were some disadvantages to the country if the Liberal government was to accept an NDP proposal — which would involve the government retracting \$4.6 billion in corporate tax cuts proposed in the budget in order to receive NDP support in Parliament.

The competition position of Canadian businesses compared to U.S. businesses could be damaged if these tax cuts are not provided.

The very day that the Minister of Finance criticized the terms of the proposed deal, the Prime Minister reached an agreement in principle with Jack Layton. That is curious: a budget agreement reached over the head of the man in cabinet responsible for preparing and tabling budgets, and that a budget deal could be reached in spite of the finance minister's stated objections to it, as I quoted. The finance minister not only criticized the deal the very day it was announced, he criticized the deal that he insists he had a say in.

Here is what he told me last week during a meeting of the Standing Senate Committee on National Finance, when I asked him if he negotiated the deal with the NDP on the budget. He replied that he was consulted throughout the entire process.

Senator LeBreton: The PMO got to him!

Senator Tkachuk: He said that the deal and all its details were discussed with him as it was evolving. Furthermore, he stated that he was in constant conversation with the Prime Minister and Mr. Tony Valeri over the four- or five-day period that the deal was being negotiated.

Let us get this straight: The Minister of Finance is critical of the budget deal that the Prime Minister negotiated, according to the Minister of Finance, in close consultation with the Minister of Finance.

All this adds up to one thing: The Minister of Finance lacks the confidence of the Prime Minister, who neither put him in charge of negotiating this deal nor listened to his advice when nailing it down, a deal that concerned the budget, which is — or at least it used to be — the Minister of Finance's primary area of responsibility. Instead, Minister Goodale was left on the fringes while the budget he worked painstakingly over and presented to the country with pride in February was cherry-picked against his best advice by his boss and the NDP in April. If he had any integrity at all, Mr. Goodale would have resigned that fateful evening in April. I hope the limo ride is comfortable.

Honourable senators, if the Minister of Finance was not involved in negotiating this bill, then we can assume that other cabinet ministers were left out as well — 50 yards from Parliament Hill, indeed.

I shall now turn to the terms of the deal. There is a legal framework for most of the spending promised in that deal, the exception being the fund to protect wages in the event of bankruptcy, which will come to us in a separate bill. At report stage of Bill C-43, the Budget Implementation Act, the government removed tax reductions for larger corporations from Bill C-43, promising to put them back through a different bill that we will consider in the fall. The business community is understandably upset about this manoeuvre.

The Council of Chief Executives, in a declaration released this week, noted that Canada is a nation adrift because in-depth, strategic policy-making has been sacrificed on Parliament Hill in a search for political advantage. The CEOs are worried about Canada's productivity. They see the removal of corporate tax cuts

in Bill C-48 as exactly the opposite of what needs to be done to promote productivity in this country. This squares nicely with the unanimous view of the Standing Senate Committee on Banking, Trade and Commerce of which, at one time, Senator Austin was a proud member.

Honourable senators, the agreement with Mr. Layton and this, the enabling legislation, give rise to four fundamental issues: First, the unravelling of the fiscal plan. What was irresponsible and unaffordable in February and March suddenly became affordable in April. Second, the budget of last February included the \$4 billion for this year and \$5 billion for next. As a result of this agreement, the NDP and other recent spending announcements, this is now down to \$2 billion in total prudence for this year and the same amount for next. The sum of the government's revenue and its expenditures is a total cash flow of some \$400 billion per year, \$2 billion divided by \$400 billion is 0.005. For prudence, the government now has a margin of error of one half of 1 per cent. It cannot respond to pressing new priorities without endangering the spending proposed in this bill and breaking the deal with Jack Layton.

An example of events that often demand government response is the flood that we witnessed in Alberta and that we are now witnessing in Manitoba. Government survival, on the other hand, can hardly be called an emergency.

I will now turn to the subject of process. This is really important. Spending decisions in a civilized democracy like ours are usually prioritized. For each decision, for each initiative, there is debate internally, within departments, cabinet and committees on consultation. At the Treasury Board, in the months before the budget, the spending estimates were being pulled together. Governments cannot do everything they want, so competing demands on the public purse must be resolved. They are normally resolved before the budget is presented in the House of Commons, and the decisions taken by this government may differ from the decisions we would take, but up to now those decisions at least followed the process where priorities were set.

In short, the fiscal plan was not written on the back of an envelope or dictated to the Minister of Finance. What is the point of the entire budgetary process and the pre-budget hearings of the finance committee of the other place if it can all be undone by a handshake in a hotel room?

Are we moving to the American system where the executive announces the budget and then the horse trading begins, where individual members of the House of Representatives and the Senate lobby for funding for their pet project? If this is a new process, then perhaps we all should be told and not just Mr. Layton.

Perhaps the government has lost its way in its mania for clinging to power. Perhaps they need a refresher course on how budgets are supposed to be made. With your indulgence, honourable senators, allow me to provide them with one. Let me begin with some work done by the Parliamentary Centre in Ottawa, an organization renowned not only for the work that it has done for our Parliament, but also for work it does in the furtherance of democracy around the world.

• (1520)

They have developed indicators of parliamentary performance in the budget process. Is there parliamentary input at all stages? Are exchanges between MPs and ministers regarding the budget open and public? Do parliamentarians participate openly and independently in the priority-setting stage of the budget process? Does Parliament ensure public input and participation during the budget process? These are just a handful of indicators.

Of course, the government knows all this, or, at least, it used to know all this. In fact, it was the Chrétien Liberals that introduced in 1993 the Expenditure Management System to guide budget-making and deficit reduction. This EMS system had three major components. The first was dominance in the process by three government bodies: the Privy Council, the Ministry of Finance and the Treasury Board, none of whose representatives were in the hotel room, as far as I know.

The next component was a secondary role for cabinet and individual government departments. The third component was consultation with Parliament and the general public. There is more to this system than I am able to describe here. I have taken the documentation from the Parliamentary Centre and from the Maple Leaf Web, which describes the process of the federal Liberal government. I would like to table it here to remind the government how a budget should be made.

There are countries that face some of the same issues that we are experiencing. I wonder what other democracies around the world do. I wonder how they do their budget. I went to Pakistan, for example. There, the politicians decried the lack of parliamentary input into the budget-making process. They feared that Parliament played only the role of a rubber stamp in the budget process. Here is what is written in a report of a conference on that issue, a conference that included representatives of major political parties in Pakistan:

With no involvement of Parliamentary committees into the budget process, neither at the time of recommending an allocation for a department or a division, nor at the time of evaluation of the budget when it is laid in the Parliament, the passing of a budget merely becomes a ritual in which MPs from the government resort to saying yes and those from the opposition saying no at the time of the passing of the budget.

They might have been talking about Canada. Even in Pakistan, they are trying to do better.

Let us move on. What about Africa? We often decry their inability to participate in democratic processes. Indeed, a conference in Cameroon last year of the Commonwealth Parliamentary Association looked at Parliament and the budget process. They concluded that annual budgets are best formulated by governments following broad consultation with parliamentarians and members of civil society, including representatives of interest groups from all regions of the country.

They also concluded that to contribute fully to the budget process, Parliaments must have adequate time to debate

government spending plans in the chamber and in committee. They must be able to change government spending and priorities, and they must have full access to ministers and their civil servants, who are required to provide detailed explanations. This is in Cameroon.

I am sure those African politicians would be disappointed to find that in this great bastion of democracy called Canada there are no detailed future spending plans attached to Bill C-48. I am equally sure they would be disappointed in the depth of the answers we will get as to the details of Bill C-48 when it goes to committee.

After Pakistan and Africa, I thought about Kazakhstan. That country has been looking into parliamentary oversight of the state budget. At a Soros Foundation-funded seminar in that country, it was noted that in Kazakhstan it is important to provide public oversight of state revenues. It is also noted, however, that to date Parliament does not have full authority over the state revenues. Does that ever sound familiar!

At the same conference, they talked about transparency of the political systems, the powers of amendment and the role of committees in the budget process. You will hardly be surprised that Germany was cited at that conference as the best example of parliamentary oversight. Canada was not even made mention of.

In Japan, the budget cycle requires three years and it is the finance minister who has primary responsibility for formulating the budget, not the House leader in negotiations with the leader of another party. The ministry sets forth the basic principles that are then used by the various ministries and agencies to estimate roughly their budgets.

These are just some examples of how budget processes should work. The question is: What will Mr. Layton demand after Bill C-48 is passed? If we adopt the American way of writing our budgets, why is it that only members of the New Democratic Party and the independent members get to snort around in the taxpayer-funded trough? Obviously, after the agreement with the Bloc Québécois last week, they too are going to snort around. We can only hope to hear soon what particular delicacies were used to entice them to the trough. Maybe there is something for us in there. In fact, why do we not just put the trough in the middle of the chamber and let us all have a go at it, and the taxpayer be damned?

I mentioned earlier there are four issues we should be concerned with, which include enhanced productivity, providing tax relief, and paying down the debt. The other issue is the manner in which the NDP budget proposes significant new spending in areas of provincial jurisdiction.

Housing and education are areas of spending best carried out by or in cooperation with provincial government, yet there is no requirement for such cooperation in this bill.

They say they will reduce tuition fees. They cannot control whether the provinces will reduce tuition fees. I am sure that Premier Charest would be very interested in that particular statement by the government.

The fourth issue is that of accountability to Parliament. Lost in all the allegations of vote-buying, lost in all the hype about what Mr. Layton may or may not have accomplished and at what cost to the treasury, it is the fine print of this bill. It does an end-run around the checks and balances, and it gives ministers the power to spend with no more than an extremely broad outline. It is an affront to Parliament. It is a \$4.6 billion invitation to the kind of abuse and misuse of funds that is now being looked at by Justice John Gomery. That is exactly the same way they allocated. They put out all the money, and then everybody went to the trough and picked it out. They did the same thing in Human Resources Development Canada, HRDC. Now they are doing it with the budget of Canada. It is not just a bill, it is the budget, \$4.6 billion, in a pot for the cabinet to pick through.

Senator Munson: It is a people's budget.

Senator Tkachuk: That it is.

Senator Comeau: Certain people.

**Senator Tkachuk:** As former finance official and now Chief Economist at the TD Bank, Don Drummond noted in the May 7, 2004 *National Post*:

For years the government has wanted an instrument that would allow it to allocate spending without having to say what it's for. This act will do it.

Perhaps the National Finance Committee could call Mr. Drummond to elaborate on this.

Columnist Greg Weston wrote in the Ottawa Sun, June 11:

We called the five ministries most likely to be on the receiving end of the \$4.5 billion, and no one seemed to have the faintest idea how all that loot is going to be spent.

Through the Main Estimates document in February and the Reports on Plans and Priorities for each department in March, we are provided with a full and detailed account of each department's spending. In Bill C-48 we are asked to vote half a billion dollars for foreign aid, with no information as to how it is to be delivered, to whom it is to be delivered and what department will manage the funds.

I want to spend a minute on foreign aid because the Prime Minister made a comment about it that was reported in the paper today; they used the term "foreign aid." In this bill, \$500 million for foreign aid is the only information we have. If we were to ask the Prime Minister where he got that number, the answer would be probably, "from Mr. Layton in a hotel room." We all know that people have been arrested for exchanging cash for favours in hotel rooms. There were none in this case, although without question Paul should have been called John and Jack, Jackie; then again, in today's climate, perhaps Jack is quite appropriate.

Unlike the estimates, there is no formal document before Parliament outlining exactly how the government expects this to roll out. There is no information before Parliament addressing how much there will be for grants or how much there will be for administration because the government either does not know or does not wish to tell us.

• (1530)

Parliament has not been formally told whether the money will take the form of long-term projects in each case or whether funds will be handed over to various Third World governments as a cheque with no strings attached, again, because there is no plan.

Even the term "foreign aid" may not be correct. Do official publications not refer to this as "official development assistance?" Foreign aid simply boils down to assistance provided from one nation to another. Most of what we think of as foreign aid would be more correctly called official development assistance, money to alleviate poverty and hardship in the Third World, ensure clean water, and develop self-sufficiency and viable economies. However, foreign aid can also include military aid, and indeed military aid represents a fair chunk of the foreign aid budget of our neighbours to the south.

The New Democrats asked for more foreign aid to accelerate, in the words of the deal, "Progress towards the international targets of 0.7 per cent of the gross national income being invested in overseas development assistance." Was the Minister of Foreign Affairs consulted before this bill was drafted? Was there no wording that his officials would have suggested to provide some direction as to how this money would be spent?

This will come as a shock to those New Democrats who cut their teeth chanting slogans and carrying signs of anti-war protest, but their budget bill, the NDP budget bill, is so poorly drafted that if the government wanted to, it has the necessary spending authority to send military aid to any right-wing Third World dictator.

If you do not believe me, perhaps you should read the article by Anne Dawson in today's Ottawa Citizen. She noted in that piece that Prime Minister Paul Martin wanted a string of items included in discussions among the G8 that affect how much a country is credited with contributing to foreign aid. Furthermore, he indicated that Canada's contribution to security around the world should be among those items.

In his testimony before the Finance Committee of the other place, William Robson called this bill, "The poster child for dysfunctional fiscal policy." He noted that it is:

An astonishing piece of legislation. In 400 words, it authorizes the minister to spend \$4.5 billion, subject to some limits that are not knowable in advance, on just about anything, and by just about any means.

He went on to say:

The focus of the expenditure, inasmuch as the specifics allow us to tell, is in areas where the federal government is either less competent than provincial and municipal governments, where it has shown no great skill in the past of solving problems, and where the mechanics that are supposed to achieve the result — and the post-secondary education is a particularly good example of this — appear not to have been thought through.

Democracy can be lost by Jackboots and by bombs, but it can also be lost by chipping away at its very foundations by disregarding its institutions; by revelling in immediate victory but causing long-term institutional harm; by ignoring, and in so doing, dishonouring where this money came from: from the sweat and tears of millions of Canadian workers and entrepreneurs.

The other day we celebrated a bill that forbade usurious conduct. That was Senator Plamondon's bill. We celebrated the protection of those who may be taken advantage of by unscrupulous people or businesses. Yet while we slept and worked, two people sat in a hotel room and usurped \$4.5 billion from the pockets of Canadians.

We on this side are asking the Senate to defeat this bill because those charged with the proper conduct regarding the people's money have long ago lost that right.

Some Hon. Senators: Hear, hear!

The Hon. the Speaker pro tempore: Senator Tkachuk, you stated in your debate that you had a document you wished to table. In order to do so, you need leave.

Senator Tkachuk: I am asking for leave.

The Hon. the Speaker pro tempore: Does he have leave, honourable senators?

Hon. Senators: Agreed.

Senator Comeau: Has the honourable senator found out whether the fact that the Minister of Finance refuses to appear before the Finance Committee is caused by embarrassment that he was left out of this process, or is it just the disdain with which another minister is now treating parliamentarians, as mentioned in the 50-yard question?

Senator Robichaud: That is a very partisan question.

Senator Tkachuk: You will get a very non-partisan answer.

I do not know whether the Minister of Finance will attend. I assume that he has been invited, and he has now said that he will not be attending.

My view is that if you do not have a minister, and this is the view of the Chair and the Deputy Chairman of the Standing Senate Committee on Transport and Communications, Senator Fraser and I, and we have an agreement: No minister equals no bill.

Hon. Grant Mitchell: Honourable senators, early on after the announcement of my appointment to the Senate, I spoke to a variety of senators and people who know about the Senate, and they repeatedly made the point that the Senate was far less partisan and far more collegial than any other elected house, the other place, or the elected house from which I came.

Coming from a fiercely partisan environment as a partisan opposition leader to Conservative Ralph Klein's government, I was of course very interested that this place might be non-partisan and more collegial. I was interested in finding out what that would look like.

I then sat in the Senate my first full day, and I was here not longer than 15 minutes before honourable senators on that side of the house accused me and all of my colleagues of being corrupt. I said to myself, "I have only been here for 15 minutes; if this is non-partisan and collegial, then Ralph Klein and I are best friends."

I observe that to some extent in jest. I must say, however, a theme is developing. Today's debate is extremely partisan. I would argue that the opposition has been aggressive. Perhaps it is because of my relative youth in this place, but I find that I have to rise to the bait. There are some things I have to get off my chest, but in doing so, it is in the interest of spirited debate and with the utmost respect for the honourable senators on the other side.

When you scrape away the arguments that the opposition makes about this budget bill and Bill C-43, what you come down to is an argument that has two brief points. First, somehow the Liberal agreement with the New Democrats is unsavoury. Second, it represents unfettered expenditure. I would like to respond to both of those arguments.

I will begin by saying that I am surprised, as was Senator Eggleton and others, that this criticism, the idea that there would be an agreement with the Liberals and the New Democrats, would even arise. Clearly, if the Conservatives had not decided to oppose the budget they originally supported and then decided to oppose it again, we would never have had that agreement.

Where I come from, if A equals B and B equals C, A equals C. If you apply that formula to this circumstance, what you are driven to conclude is that if the Conservatives had not actually dithered about this budget, they would not have anything left to criticize.

Senator Comeau: Dithered!

• (1540)

Senator Mitchell: We are talking about a minority government. I campaigned for years, federally and provincially, and I cannot count the number of times I heard people say that what we need in this country and this province is a minority government. Now that we have one, people seem to have become rather squeamish about it. I think they are squeamish because they forget what the essential quality of a minority government has to be; by definition, minority governments have to make deals and they have to compromise.

1648

Honourable senators, this is a democracy. The people of Canada gave this Parliament very clear direction. Their direction was that they wanted this Parliament to have a minority government. They made that direction with the single most powerful statement that the electorate has with which to communicate in a democracy — their vote. It is inherently arrogant that after eight, nine or 10 months, the Parliament of Canada would actually begin to tell Canadians that they were wrong.

Speaking of deals, honourable senators, not all deals are appropriate, even in a minority government. The fact of the matter is that a deal was made on the other side in the other place that raised, among other things, the issue of national unity. That deal was the collaboration between the Conservatives and the Bloc.

Let us remember there is very little the Bloc can do in Parliament to further their cause. The one thing they can do is to try to demonstrate that Canada does not work. If they can send that message to Quebec, it may be that Quebecers will feel less inclined to stay in this country.

Honourable senators, that means this is not just a debate about a budget or about the ensuing issues. This is a debate based on a collaboration to send a message by trying to bring the government down prematurely and, when that failed, by trying to stymie and stall the government's work. That amounts to collaboration with the Bloc to do the one thing they want to do, and that is send a message to Quebec that Canada does not work.

This, of course, honourable senators, was not done in a vacuum. It was done in a very troubling context. It was done in the context of increasing separatist sentiment in Quebec, and it was done amidst reports and speculation — probably, unfortunately, relatively strong — that the next government of Quebec might be a separatist government.

Honourable senators, I am not saying that the predisposition to undertake a deal like this with the Bloc in and of itself defines a certain vision of Canada. What I am saying is that the predisposition to do this is at least consistent with a vision of Canada that I simply cannot comprehend.

Senator LeBreton: We cannot comprehend you.

Senator Mitchell: I am not certain what the subscribers to this vision actually like about Canada, but I am clear about what they do not like about Canada. They do not like bilingualism; they do not like multiculturalism; they do not particularly like social programs; they do not like public health. They are not fussy about how we relate to the United States. They are not all that happy about how we divide powers in this country; and on a good day, or on many days, they are at least ambivalent about where Quebec's place is in this country.

Honourable senators, where I come from, this equates to a position called Western alienation. I want to ask the people who feel alienated from Canada to name just one country that they would not want to be alienated from. Canada is a remarkable place and I believe that Canada deserves much better than this.

There is another vision of this country, and it is captured by people who believe something quite different. They believe that Quebec has a special place in this country — that Quebec makes us special. It makes us different from the United States; it makes us multicultural; it makes us cultural. They believe that social programs and public health care reflect the profound generosity of Canadians. They believe that the institutions of democracy in this country — our parliamentary system and our justice system — are the foundations of our rights and our freedoms; and they believe that Quebec and Alberta make Canada better, but that Canada makes Quebec and Alberta and all those other provinces better as well. Somehow this message seems to be lost amongst all of this debate here, and I think we must pay attention to that message.

When I was in the midst of the debate in Alberta on Meech Lake and the Charlottetown accord, I used to step back and use this analogy to illustrate what I was talking about: If Quebec were to leave, then we would probably remember how unhappy we were with Ontario. We would have to separate from Ontario; and then we would look at Manitoba and Saskatchewan and say, "Well, do they really contribute to our economy," and maybe we would have to separate from them. We would look at B.C. and say, "Well, they are hard to relate to so maybe we will have to separate from them." We have a real rivalry in Edmonton with Calgary, so maybe we would have to separate from them. One day, we would be taking northern Edmonton from southern Edmonton. If I were still the MLA for Edmonton—McClung, I would be thinking I could be the president of Edmonton—McClung.

We have to understand that this country works far better together. We need to work together and not take risks by threatening in the way that the deal across the way did. The reality is that Canada works extremely well.

We are, as the honourable senator said, the only member of the industrial G8 nations that actually has balanced budgets and, in fact, a surplus budget. We have unprecedented employment levels. We have the lowest GDP per debt ratio of the G8 nations, and we are paying down debt at a remarkable rate.

Honourable senators, we have a government that has accomplished a great deal in a very short period of time. This government has undertaken its eighth consecutive balanced budget — many of those have been surpluses. This Liberal government has brought in a health care deal that actually focused on one of the most important issues in health care — setting objectives and developing accountability. We have the deal with Newfoundland and Nova Scotia. We have announced a green plan to fulfill our Kyoto commitments.

The Prime Minister has gone around the world to re-establish Canada's presence. He has made some well-accepted recommendations for improvements to the United Nations. He has hosted the President of the United States and has convinced the United States that we should reopen the border to beef — we

simply have one judge in Montana to finally convince. Parenthetically, if we ever think that we should have elected judges, just look at that example.

The Prime Minister has announced a new foreign policy that focuses our aid in a productive way which will put more boots on the ground. He has announced a groundbreaking funding agreement with the municipalities so they can build and strengthen this country. He has done much more, including this budget bill and the main budget, Bill C-43.

The fact of the matter is that the Prime Minister has done all of this within the context of a minority government, not just any minority government, but a minority government in a very hostile Parliament.

When this budget bill passes, this government and the Prime Minister will have accomplished even that much more. It is not fair to say that Bill C-48 will result in unfettered spending. It has been pointed out very eloquently by the Honourable Senator Eggleton that the bill provides for limited spending — \$9 billion over five years; that these funds can only be spent if we have a balanced budget; and that it is basically spending that was already committed to and budgeted for. This government has had among the lowest rates of expenditure versus GDP in the last 30 years — certainly lower than that of the Conservative government.

• (1550)

It is unfair to criticize this government on the basis of its agreement with the New Democrats, saying that it is somehow unfettered expenditure. Canada is not broken. Fiscally, culturally and economically it is extremely strong and working very well.

In the course of debate such as this we must be very careful about the criticisms we levy against the government and the risks that we take. I believe that senators and members of the other place should respect and honour this country, as do people throughout the world.

Hon. Senators: Hear, hear!

The Hon. the Speaker: Honourable senators, I must advise that the time of Senator Mitchell has expired.

Senator Comeau: I request leave to ask just one question.

Hono Bill Rompkey (Deputy Leader of the Government): Honourable senators, I think there would be agreement to extend the time by five minutes.

The Hon. the Speaker: Is that agreed, honourable senators?

Hon. Senators: Agreed.

The Hon. the Speaker: Senator Mitchell, will you take a question?

Senator Mitchell: Yes, I will.

[Translation]

Senator Comeau: Honourable senators, the senator mentioned that we owe one another respect in this place and in the other place. In his speech, he referred to "bigots" and people "who do not like bilingualism." Would he care to name these bigots and people opposed to bilingualism?

[English]

Senator Mitchell: Honourable senators, the Honourable Senator Comeau is putting words into my mouth. I did not call anyone a bigot. I spoke of a philosophy that I think is an accumulation of many of the positions taken by the other side in the other place and, to some extent, in this house, on issues like bilingualism, the status of Quebec, social programs and public health care. It seems to me that they are not as committed to them in some parts of the country as am I. I believe that is a fair comment and I believe that is easily seen in certain areas of this country.

[Translation]

Senator Comeau: Senator Mitchell speaks of divisions in the country; Senator Mercer is accusing Mr. Harper, and the honourable senator is accusing persons in the other place without identifying them. He has also accused persons in this chamber, without naming them. Honourable senators, I request that no accusations be made unless they are specific.

Senator Mercer has made very specific accusations against Mr. Harper. Someone else told us tales of Alberta, tales of antibilingualism sentiment. Be careful when you make comments that might create divisions in this country.

Were the Conservative Party a party of bigots and people opposed to bilingualism, it would certainly not be the party of the official opposition. One senator says he lives in Nova Scotia, says he is a resident of Nova Scotia. He is trying to tell us tales of Nova Scotia

My question is the following: Name them, if you will.

[English]

Senator Mitchell: Honourable senators, I appreciate the comments of the Honourable Senator Comeau, but I am surprised at his indignation. He is extremely partisan and has been aggressively so. I am saying that there is a philosophy in parts of this country that does not agree with some of the fundamental tenets that I hold. My vision of the country supports powerful social programs and powerful public health care, because that reflects the generosity of Canadians. My vision of the country supports our justice system, which is respected around the world as a fair system. My vision of the country supports the parliamentary system, because it is the best system on the face of the Earth and in the history of the world. It has existed for 600 years. My vision of the country supports our relationship with the United States because we are not afraid to be

independent of the United States. My vision supports the way we structure powers in this country, because we need a strong central government in order to be strong in the world. My vision supports the way we have structured our foreign policy relationships, et cetera.

Hon. Marcel Prud'homme: I am proud to be a friend of the province of Alberta, but the speech of Senator Mitchell did not make me proud.

It is acceptable to Senator Mitchell when the Liberal Party in the other chamber receives the support of what he calls the separatists or the bloquistes. However, when the separatists or bloquistes vote with the Conservatives — which I am sick of seeing — the Conservatives become unacceptable. The honourable senator must make up his mind about that. Why is it all right in one case but not in the other?

Senator Mitchell: Honourable senators, I would say that the reverse is true. The collaboration between the Bloc and the Conservatives, although perhaps not in its conscious design but in its effect, created a situation whereby a message was sent that Canada was not working very well. The agreement last week between the Liberals and the Bloc, of which Senator Prud'homme is speaking, was a collaboration —

The Hon. the Speaker: I regret to interrupt the Honourable Senator Mitchell, but his time has expired.

Senator Rompkey: I move the adjournment of the debate.

Hon. Terry Stratton (Deputy Leader of the Opposition): Although we have had an agreement in this chamber on a limit of the five minutes to the extension of time, we also agreed that if the discussion became engaged, as it is now, the allotted time could be further extended.

On motion of Senator Rompkey, debate adjourned.

# RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

FIFTH REPORT OF COMMITTEE ADOPTED— NUMBERING OF SENATE BILLS

The Senate proceeded to consideration of the fifth report of the Standing Committee on Rules, Procedures and the Rights of Parliament (numbering of Senate bills), presented in the Senate on June 29, 2005.

Hon. Joan Fraser, for Senator Smith, moved the adoption of the report.

Motion agreed to and report adopted.

• (1600)

# PERSONAL WATERCRAFT BILL

THIRD READING—DEBATE ADJOURNED

Hon. Ethel Cochrane moved third reading of Bill S-12, concerning personal watercraft in navigable waters.—(Honourable Senator Cochrane)

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, Senator Lavigne has indicated to me that he would like to speak to this bill. He is unavoidably absent today but intends to speak next week. If there is agreement, I would like to adjourn debate in the name of Senator Lavigne.

Hon. Terry Stratton (Deputy Leader of the Opposition): Out of deference to Senator Lavigne, although this item does stand in Senator Cochrane's name, I would expect that he would speak next week and then we would move to a vote.

Senator Rompkey: That is right.

The Hon. the Speaker: I take that as an exchange on house business.

Senator Stratton: Yes.

On motion of Senator Rompkey, for Senator Lavigne, debate adjourned.

[Translation]

# PROGRESS REPORT ON QUALITY END-OF-LIFE CARE

INQUIRY—ORDER STANDS

On the Order:

Resuming debate on the inquiry of the Honourable Senator Carstairs, P.C., calling the attention of the Senate to Still Not There. Quality End-of-Life Care: A Progress Report.—(Honourable Senator Corbin)

Hon. Eymard G. Corbin: Honourable senators, I will not be speaking to this matter, but Senator Oliver indicated to me just now that he would like to speak to it, probably next week. Could the inquiry be adjourned in his name?

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Order stands.

[English]

# INTERNATIONAL DEVELOPMENT ASSISTANCE

MOTION URGING GOVERNMENT TO MEET COMMITMENT—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Andreychuk, seconded by the Honourable Senator Johnson:

That the Senate of Canada calls upon the Government of Canada to establish a specific timetable that will enable Canada to meet its longstanding commitment to provide 0.7 per cent of its Gross National Income as official international development assistance; and

That the Senate of Canada calls upon the Government of Canada to provide funds, within the budgetary process, to achieve this objective at latest by the year 2015, beginning, with an immediate one hundred percent increase in official development assistance in the next fiscal year.—(Honourable Senator Dallaire)

Hon. Roméo Antonius Dallaire: Honourable senators, I am standing to speak to the motion that was raised by Senator Andreychuk, regarding the government's commitment to provide 0.7 per cent of gross national income for international development assistance by the year 2015.

I said in this chamber on June 16 that 80 per cent of humanity lives in inhuman conditions, in blood and mud and suffering, below any conceivable level of human respect and dignity. I consider what we have seen over the last years, particularly since 9/11, the expression of rage by that 80 per cent of humanity through terrorism. The rage will continue and accentuate as that part of humanity continues to be treated in an inhuman fashion, and international development, which is a primary instrument of easing and abetting that suffering and attempting to move that part of humanity to a level of human respect, is now moving into the realm of our national security.

As such, international development is no longer isolated to simply a long-term process in which nations hope to advance into a new era, but is very much part of how our nation can continue to advance in serenity and peace and, through that, ultimately return the favour of continuing to help countries improve their levels of dignity and national capabilities.

In the year 2000, the world's heads of state committed themselves to achieving the millennium development goals, which include eight objectives to be met by the year 2015. They are: eradicating poverty and hunger; ensuring universal primary education; promoting gender equality and the empowerment of women; reducing child mortality; improving maternal health; fighting HIV/AIDS and other infectious diseases; ensuring environmental sustainability; and, finally, ensuring the development of a global partnership for development. These are extraordinary goals reflecting the new era in which we find ourselves — we the countries of the North, we the "have" countries — as we look at those countries of the South who need the support of the developed world in order to achieve those levels of respect and humanity and the hope of seeing better days.

In 2001, 18 targets and 48 indicators to measure progress toward the millennium development goals were approved. To meet the very demanding millennium development goals by the year 2015, we require significant changes in the national policies of developing and developed countries, including the international trade system. We must shift how we look at the whole of humanity, as those who would be on the receiving end must shift and how they can use those assets to advance their nations.

Of note, according to the World Bank, this would mean a doubling of official development assistance that flows already toward those have not nations. That is a lowball estimate, for it would require our country to triple the amount of money that is moved into international development or development assistance, meaning a figure, by the year 2015, if that goal is achieved, of about \$8 billion annually.

In March 2002, at the UN Conference on Financing for Development in Monterrey, Mexico, rich countries again agreed to make concrete efforts toward achieving the target of 0.7 per cent GDP. This issue is not new and I do not want to necessarily repeat its history. However, as we know, former Prime Minister Pearson led a commission on development assistance which advocated that developed nations reach a level of 0.7 GDP by not stating a time frame but rather stating that it was a future objective. That was 35 years ago. In 1992, at the Earth Summit in Rio de Janeiro, Canada recommitted to the goal of 0.7 per cent of GDP. A report card of the official development assistance spending increases by the vast majority of donor countries still remains far below the commitment made at Monterrey.

The only two times that Canada has come close to meeting the international development goal was in 1975-76, with a commitment of 0.53 per cent of GDP, and in 1986-87, with a commitment 0.5 per cent of GDP. In the beginning of the 1990s, aid programs absorbed large, successive cuts due to the economic and fiscal situation at the time. Those are exactly some of the permutations that can happen over time, even to a nation that is fiscally responsible. We cannot predict the future. We can try to mould it and adapt to it, but we must also remain responsible as we move our nation into that future.

Among the 22 OECD countries, in 1995 Canada ranked sixth; in the year 2000 Canada ranked seventeenth; and in the year 2004, with increases in the federal budget, Canada ranked ninth in volume terms in regard to international development assistance. Is that enough? No, it is not. Can Canada do better? More importantly, should Canada do more and do better in this regard?

• (1610)

In the current fiscal year of 2005-06, \$3.6 billion will be directly involved with international assistance, which represents a net increase of \$400 million over the year 2004-05 — not insignificant numbers.

As an added note, the work that I am currently involved in with the Sudan crisis in Darfur, as well as our involvement in the Afghanistan crisis, will receive this year, on top of that original figure, another \$500 million that are not necessarily Official Development Assistance, ODA. That, of course, is also above the funding that was established in 2003 for the Africa Fund, which in itself is pouring billions of dollars this year into the program.

Honourable senators, we have read in the newspapers and possibly a number of you have heard our Prime Minister, the Right Honourable Paul Martin, when he declared, on the subject of international development:

Until I'm in a position to tell Canadians unequivocally how and when, I don't believe in making commitments in the air.

As well, the Minister of Finance, the Honourable Ralph Goodale, stated:

We want to meet the objective but we also want to make sure our word is good in the world, and when we make a promise, we are confident we can keep that promise.

Honourable senators, these statements are both consistent with the new international policy that we have established that married the three Ds: development, defence and diplomacy. As such, it commits us to further increase the official development assistance but promises in so doing to maintain these increases beyond 2010 and accelerate the projected rate of growth of Canada's international assistance as our fiscal position gets better.

# [Translation]

Honourable senators, that response indicates solid commitment and demands courage, especially now in an era when political careers do not last forever. A government that decides to invest significantly and without compromise, despite the uncertainty of future costs and other unpredictable factors, deserves our consideration.

# [English]

But is that good enough? This is the position that, in fact, I wish to respond to today in speaking to this motion.

Honourable senators, we cannot look at the developing world in purely the figures that the developed nations of the north attempt to project. We must look first at the strategic backdrop upon which we want to look at the rest of humanity — at that 80 per cent who are living in inhumane conditions. We cannot, I believe, continue to treat international development assistance as a residual in regards to our fiscal responsibilities to our nation and to our responsibilities internationally.

I argue that international development must become a mainstream responsibility of the northern developed world towards the rest of humanity, that is, the have-nots. We should be moving towards creating an atmosphere in which we focus on the whole of humanity, not concentrating on the 20 per cent of humanity and see what is left over for assistance to those who are not competitive, who do not respect the rule of law and who have no chance of moving out of the state in which they find themselves.

International development is not a case of throwing cash at dictators and malfeasants who rip off their people and act in the most irresponsible fashion. It is not just throwing dollars at a problem, as some have articulated in the past. It is providing resources in a multitude of fashions in order to permit nations to reconstitute themselves. In certain cases, they are still moving away from the impact of the colonial era or the impact of the economic woes that we imposed by some of the international trade systems. It is a means of assisting them to move into a new era. As such, it is not a case of how much money, but rather a philosophy or strategy behind moving monies as an extreme element of resources to those who have nothing, yet deserve to live as human beings, permitting the moderates of those nations to move their nations to liberal democracies and countries that respect the rule of law, respect human rights and in fact permit people to live in serenity.

The era of Black Africans waiting for rich white man's handouts is over, and we pretentiously move money into international development is such a way that we insult them. Honourable senators, we do not have to humiliate them more. They find themselves dependent on the developing world, and often that dependency is created by that same developed world. The aim is not to provide aid. The aim is to move away from that pejorative term and to provide assistance and support, to move these countries into the realm in which human rights and the serenity of being able to move within a country that respects human rights is available to them.

This country of ours is once again in the watershed of a new era, the post-modern era, and as such it is seeking for vision and orientation. Canadian youth over the last four years have continually spoken to me about wanting to keep this great country advancing, about keeping the system going, about responding and respecting our work ethic, about meeting the goals of our human rights and our liberal democracy and about continuing to advance technology and master it. They feel there is something else that Canada has acquired over the last while, and they feel that Canada has moved into a higher and more mature level. It is no more the young kid on the block when it looks at the older nations. It is a responsible, energetic and capable young nation, a nation that is in its young maturity and, as such, it is ready to take risks. It can put resources in areas that perhaps will not produce an overt statement of responsible investment but will assist those to move on that realm. The aim is to move this nation as we move a philosophy, atmosphere or a way of thinking, and the way of thinking of a great nation like ours is to now take on our responsibility to humanity, not only to ourselves. We should move into the realm where assistance and support to the developing world is a mainstream effort and not a numbers exercise from which some people attempt to make near-term political gain.

Hon. Wilbert J. Keon: Would the honourable senator accept a question?

### Senator Dallaire: Yes.

Senator Keon: Let me congratulate the honourable senator for a very inspiring speech on such a tremendously important subject. I have been following the developments as best I can in the field of health and in sub-Saharan Africa in the under-developed world. Trying to deal with these subjects is an enormously complex undertaking. The World Health Organization is doing the best it can, and I believe it deserves our support.

It seems that the mistake that we have been making, which you pointed out, is trying to throw money at the problem without the human resources to make the system work. I wonder if this is also necessary in the broader context of agriculture and other developments. The philosophy now in health is that it will not be enough to develop the vaccines, the antibiotics, the anti-malarial treatment and so forth, because they just do not get delivered. We must find a way of delivering, as well as providing the medicine.

# • (1620)

I would like to hear your comment on the broader context as it relates to agriculture and food.

Senator Dallaire: I believe the essence of the future is self-reliance. Self-reliance is not accomplished by these nations by being provided isolated capabilities in which to grow or attempt to grow their capabilities, but by bringing those nations into the pace of globalism in which they can be competitive, effective and advance their own nation's capabilities. We are assisting them in building capabilities that go beyond their borders and meet their requirements.

To do that means an abdication on the part of the developed world. That is to say, as an example, you cannot go to a nation and convince the people to move into a certain agricultural realm, be it fruit or something of that nature. You cannot educate a large portion of the population to invest large amounts of the country's resources to move in such a realm, to create dependency in the country on these products, only to find that even though their prices are exceptionally competitive, we close down the market because we want in the north to protect, as an example, our rural way of life. Europe is doing this with a whole set of ineffective small farms. As such, developing countries cannot sell their products. You cannot do that too often with people before they start to lose confidence and attempt to look for an easier way.

It is my belief that we must encourage the empowerment of women and the empowerment and education of children as they, through children's rights, advance. As well, we must assist nations in gaining capabilities in a variety of realms. That is the essence of the future. You do not build the dams; you do not throw cash at them. You provide the assistance to them with resources to build that dam if it is required, and let them evolve.

It is my opinion that one day we will not need this because one day the frictions of conflict will not see the enormous wastage of resources in weapons and systems that are so negative and pejorative in so many cases.

Some day, through human rights, we will not have conflict and we will respect one another and be able to advance. It may only take a couple of centuries, and it may take billions more dollars and millions more may die, but one day that will stop. One day human rights and respect for law will move the world to where we can say that all of humanity is treated as human, and not only those who have the resources.

The Hon. the Speaker pro tempore: I regret to advise the honourable senator that his time has expired.

Hon. Noël A. Kinsella (Leader of the Opposition): If the honourable senator would ask for leave for one more question, I am sure my colleagues would agree to another five minutes.

**Senator Rompkey:** I believe there would be agreement to extend the period for five minutes.

Senator Kinsella: Honourable senators, my question to Senator Dallaire is that the House of Commons voted unanimously, with all members of the Liberal Party, including the minister, in support of the same proposition. Is the honourable senator in support of that proposition or not?

Senator Dallaire: I support the position taken by the government in regard to responsibility and whether the figures project now that we can achieve that 0.7 per cent GDP by the year 2015. I do that only because I consider that to be a leadership position that recognizes that the factors of the future are not permanent and flexible. International development and assistance can have very negative consequences when we say to the international community that we are going down that route and then one day we say we cannot do it any more and leave them hanging.

However, in that statement, I return to my fundamental belief that we need to review the whole concept of international development and assistance, as a mainstream effort by a nation like ours, just as health, defence and transport are mainstream efforts. In so doing, assistance is not held to a current figure. On the contrary, it is held to a higher plain of looking at how the international community should treat all of humanity.

Hon. Jack Austin (Leader of the Government): Honourable senators, I move the adjournment of the debate.

Hon. Terry Stratton (Deputy Leader of the Opposition): We would like to call the question today. If you are not willing to call the question today, because you want to speak for the record, as with the watercraft bill, which has been on the Order Paper for quite some time and adjourned in Senator Cochrane's name in favour of Senator Lavigne. Senator Andreychuk gave notice last week, with a fair degree of notice, that she would like the question put on this issue. She said specifically that she would put it today.

I ask the honourable senator to tell us why he is not willing to speak to this item so that we can have the question. Failing that, when he speaks next week, will we then have the question, yes or no?

Senator Austin: Honourable senators, that is a rather unusual statement that Senator Stratton has just made.

Members of this chamber dispose of the business of the chamber. I respect the fact that Senator Andreychuk is anxious to have her motion passed. There have been many motions on this side, over the years, that we have been anxious to have passed, and the other side had another view.

Today, I am saying that I am prepared to speak next week on this issue. I might add that I would like to take into account the position of the Government of Canada at the G8 summit before I speak. That summit is being held from July 6 to 8. I will be ready to speak next week if we come to this point in the Order Paper some time next week.

Hon. A. Raynell Andreychuk: Honourable senators, I brought this motion on March 22, because I thought one of the roles of the Senate was to give advice to the government. The House of Commons felt the same way. As a result of that, I stood up and said that I would like to vote this Thursday so that we would be in a position to give this chamber's advice to the government. I perfectly understand that there are people who support this motion, but I also know that there are some who are desperately against it.

I would like an expression of this house as advice to the government before Gleneagles; it is of little value after. That is precisely where the entire world community is expressing itself.

It is rather curious that the government accepted the advice of the House, allowed that matter to proceed, and without the benefit of the Senate advice. I believe we are an equal chamber. I appeal to the honourable senator to speak on Monday so that the government could hear the advice, whatever that advice may be

I have purposely not campaigned; I think it is a question of conscience.

Senator Austin: I am not standing on a point of order because the comity of the chamber should permit Senator Andreychuk to express her views, although there is no place in the chamber for her to make another speech, having made one already on this subject.

Senator Andreychuk has one point of view and there are others with other points of view. I appreciate the honourable senator's point of view, but I do not necessarily share it.

Certainly, I do not believe that what this chamber might say in regard to this matter would be of assistance to the government. It might be of assistance to others who have views that are different from the government.

Honourable senators, I have moved the adjournment and I would like to speak to this matter next week.

On motion of Senator Austin, debate adjourned.

• (1630)

[Translation]

# INTER-PARLIAMENTARY UNION

INQUIRY—ORDER STANDS

On the Order:

Resuming debate on the inquiry of the Honourable Senator Fraser calling the attention of the Senate to the work of the IPU.—(Honourable Senator Prud'homme, P.C.)

Hon. Pierre Claude Nolin: Honourable senators, I see that this is the fifteenth day this inquiry has appeared on the Order Paper. I think this is a highly interesting topic. I am a member of the NATO Parliamentary Association and the Inter-Parliamentary Union. I am interested in hearing what other senators have to say on this matter.

It would be a shame if this inquiry ended today. That is why I rose to set back the clock to allow my colleagues wishing to speak to this inquiry to do so.

The Hon. the Speaker pro tempore: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Order stands.

[English]

# SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

COMMITTEE AUTHORIZED TO MEET DURING ADJOURNMENT OF THE SENATE

Hon. Michael Kirby, for Senator Keon, pursuant to notice of June 29, 2005, moved:

That the Standing Senate Committee on Social Affairs, Science and Technology be empowered, in accordance with rule 95(3), to sit from September 19 to 23, 2005, even though the Senate may then be adjourned for a period exceeding one week.

Hon. Noël A. Kinsella (Leader of the Opposition): Senator Keon is here. Should he not move the motion?

Senator Kirby: Honourable senators, I will take one minute to explain the purpose of the motion. Now that the House of Commons is not returning until September 26, the motion is a precaution for the Standing Senate Committee on Social Affairs, Science and Technology on the understanding that this house may also not return until September 26.

The committee has one more round table to conduct on its study of mental health, mental illness and addiction. It is a round table on Aboriginal mental health, which we are hoping to do that week. We would also like to spend a fair bit of time that week reviewing the draft material for the report, which will be prepared over the summer.

The purpose of the motion is to receive approval for the committee to proceed with its work during the week of September 19 if the Senate is not sitting. This motion has the unanimous support of all members of the committee.

The Hon. the Speaker pro tempore: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.

# RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

MOTION TO AUTHORIZE COMMITTEE TO STUDY APPLICATION OF CHARTER OF RIGHTS AND FREEDOMS IN THE SENATE—DEBATE ADJOURNED

Hon. A. Raynell Andreychuk, pursuant to notice of June 29, 2005, moved:

That the Senate refer to the Standing Committee on Rules, Procedures and the Rights of Parliament the issue of developing a systematic process for the application of the Charter of Rights and Freedoms as it applies to the Senate. She said: Honourable senators, I wish to comment on this matter on another date.

On motion of Senator Andreychuk, debate adjourned.

# **ADJOURNMENT**

Leave having been given to revert to Government Notices of Motions:

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That when the Senate adjourns today, it do stand adjourned until Monday, July 4, 2005, at 4 p.m.

**The Hon. the Speaker** *pro tempore*: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

The Senate adjourned until Monday, July 4, 2005, at 4 p.m.

# THE SENATE OF CANADA PROGRESS OF LEGISLATION

(indicates the status of a bill by showing the date on which each stage has been completed)

# (1st Session, 38th Parliament)

# Thursday, June 30, 2005

(\*Where royal assent is signified by written declaration, the Act is deemed to be assented to on the day on which the two Houses of Parliament have been notified of the declaration.)

# GOVERNMENT BILLS

(SENATE)

Chap.	25/04	8/05	31/05						
R.A.	04/12/15	05/03/23*	05/06/29*						
3rd	04/12/02	04/12/08	05/04/20	05/06/21		05/06/20			
Amend	0 observations	0	0	0		0	0	m	
Report	04/11/25	04/11/25	05/03/07	05/06/16		05/06/16	05/06/29	05/06/23	
Committee	Legal and Constitutional Affairs	Banking, Trade and Commerce	Social Affairs, Science and Technology	Transport and Communications		Energy, the Environment and Natural Resources	Foreign Affairs	Agriculture and Forestry	Legal and Constitutional Affairs
2nd	04/10/26	04/11/17	05/02/02	05/06/07	Bill withdrawn pursuant to Speaker's Ruling 05/06/14	60/90/50	05/06/15	05/06/15	05/06/15
1st	04/10/19	04/10/28	04/11/02	05/05/12	05/05/16	05/05/19	05/05/19	05/05/31	05/06/07
Title	A second Act to harmonize federal law with the civil law of the Province of Quebec and to amend certain Acts in order to ensure that each language version takes into account the common law and the civil law	An Act to implement an agreement, conventions and protocols concluded between Canada and Gabon, Ireland, Armenia, Oman and Azerbaijan for the avoidance of double taxation and the prevention of fiscal evasion	An Act to amend the Statistics Act	An Act to authorize the construction and maintenance of a bridge over the St. Lawrence River and a bridge over the Beauharnois Canal for the purpose of completing Highway 30	An Act to amend the Aeronautics Act and to make consequential amendments to other Acts	An Act to amend the Export and Import of Rough Diamonds Act	An Act to amend the Criminal Code and the Cultural Property Export and Import Act	An Act respecting the implementation of international trade commitments by Canada regarding spirit drinks of foreign countries	An Act to amend the National Defence Act, the Criminal Code, the Sex Offender Information Registration Act and the Criminal Records Act
No		S-17	S-18	S-31	S-33	S-36	S-37	S-38	S-39

. Chap.			. Chap.		23* 29/05	24* 3/05	15 26/04	10/05	2/05	15/05	3* 26/05	9* 22/05	3* 20/05	9* 25/05	5* 1/05
R.A.			R.A.		05/06/23	05/02/24*	04/12/15	05/03/23	05/02/24*	05/04/21*	05/06/23	05/05/19	05/05/13*	05/05/19*	05/02/15*
370			3rd		05/06/22	05/02/22	04/12/13	05/03/21	05/02/16	05/04/19	05/06/21	05/05/16	05/04/14	05/05/19	05/02/10
Amend			Amend		0 observations	0	0 observations	0	0	0	0	0 observations	2	0	0
Report			Report		60/90/50	05/02/15	04/12/09	05/02/22	05/02/10	05/04/14	05/06/16	05/05/12	05/04/12	05/05/18	05/02/10
Committee	Social Affairs, Science and Technology	GOVERNMENT BILLS (HOUSE OF COMMONS)	Committee	Legal and Constitutional Affairs	Transport and Communications	Transport and Communications	Banking, Trade and Commerce	National Security and Defence	Energy, the Environment and Natural Resources	National Finance	National Finance	Legal and Constitutional Affairs	Social Affairs, Science and Technology	Legal and Constitutional Affairs	Aboriginal Peoples
2 <sup>nd</sup>	02/06/30	(HOI	2nd	05/06/20	05/04/14	04/12/09	04/12/08	04/12/07	04/12/09	05/03/21	05/06/08	05/02/22	02/03/09	05/05/16	04/12/13
18t	60/90/50		18t	05/06/14	05/03/21	04/11/16	04/12/07	04/11/18	04/11/30	05/03/07	05/06/02	05/02/08	05/02/10	05/05/12	04/12/07
Title	An Act to amend the Hazardous Materials Information Review Act		Title	An Act to amend the Criminal Code (protection of children and other vulnerable persons) and the Canada Evidence Act	An Act to amend the Canada Shipping Act, the Canada Shipping Act, 2001, the Canada National Marine Conservation Areas Act and the Oceans Act	An Act to implement the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment	An Act to provide financial assistance for post-secondary education savings	An Act to establish the Department of Public Safety and Emergency Preparedness and to amend or repeal certain Acts	An Act to amend the Department of Canadian Heritage Act and the Parks Canada Agency Act and to make related amendments to other Acts	An Act to amend the Financial Administration Act, the Canada School of Public Service Act and the Official Languages Act	An Act to establish the Economic Development Agency of Canada for the Regions of Quebec	An Act to amend the Criminal Code (mental disorder) and to make consequential amendments to other Acts	An Act to prevent the introduction and spread of communicable diseases	An Act to amend the Criminal Code, the DNA Identification Act and the National Defence Act	An Act to give effect to a land claims and self-government agreement among the Tlicho, the Government of the Northwest Territories and the Government of Canada, to make related amendments to the Mackenzie Valley Resource Management Act and to make consequential amendments to other Acts
No.	S-40		No.	C-2	C-3	4	C-5	9-0	C-7	8	6-0	C-10	C-12	C-13	C-14

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No.	Title	10	2	Committee	report	Amend	2	***************************************	10,00
C-15	An Act to amend the Migratory Birds Convention Act, 1994 and the Canadian Environmental Protection Act, 1999	04/12/14	05/02/02	Energy, the Environment and Natural Resources	05/05/17	0 observations	05/05/18	05/05/19*	23/05
C-18	An Act to amend the Telefilm Canada Act and another Act	04/12/13	05/02/23	Transport and Communications	05/03/22	observations	05/03/23	05/03/23*	14/05
C-20	An Act to provide for real property taxation powers of first nations, to create a First Nations Tax Commission, First Nations Financial Management Board, First Nations Finance Authority and First Nations Statistical Institute and to make consequential amendments to other Acts	04/12/13	05/02/16	Aboriginal Peoples	05/03/10	0	05/03/21	05/03/23*	9/02
C-22	An Act to establish the Department of Social Development and to amend and repeal certain related Acts	60/90/50	05/06/21	Social Affairs, Science and Technology					
C-23	An Act to establish the Department of Human Resources and Skills Development and to amend and repeal certain related Acts	05/06/02	05/06/14	Social Affairs, Science and Technology					
C-24	An Act to amend the Federal-Provincial Fiscal Arrangements Act and to make consequential amendments to other Acts (fiscal equalization payments to the provinces and funding to the territories)	05/02/16	05/02/22	National Finance	05/03/08	0	05/03/09	05/03/10*	7/05
C-26	An Act to establish the Canada Border Services Agency	05/06/14	05/06/29	National Security and Defence					
C-29	An Act to amend the Patent Act	05/02/15	05/03/07	Banking, Trade and Commerce	05/04/12	2	05/04/14	05/05/05*	18/05
C-30	An Act to amend the Parliament of Canada Act and the Salaries Act and to make consequential amendments to other Acts	05/04/13	05/04/14	National Finance	05/04/21	0	05/04/21	05/04/21*	16/05
C-33	A second Act to implement certain provisions of the budget tabled in Parliament on March 23, 2004	05/03/07	05/04/20	National Finance	05/05/03	0	05/05/10	05/05/13*	19/05
C-34	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 2, 2004-2005)	04/12/13	04/12/14		ı	1	04/12/15	04/12/15	27/04
C-35	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 3, 2004-2005)	04/12/13	04/12/14	1	ı	1	04/12/15	04/12/15	28/04
C-36	An Act to change the boundaries of the Acadie—Bathurst and Miramichi electoral districts	04/12/13	05/02/01	Legal and Constitutional Affairs	05/02/22	observations	05/02/23	.05/02/24*	90/9
C-38	An Act respecting certain aspects of legal capacity for marriage for civil purposes	05/06/29							

No.	Title	18t	2 <sup>nd</sup>	Committee	Report	Amend	3rd	R.A.	Chap.
C-39	An Act to amend the Federal-Provincial Fiscal Arrangements Act and to enact An Act respecting the provision of funding for diagnostic and medical equipment	05/02/22	05/03/08	Social Affairs, Science and Technology	05/03/10	0	05/03/22	05/03/23*	11/05
C-40	An Act to amend the Canada Grain Act and the Canada Transportation Act	05/05/12	05/05/16	Agriculture and Forestry	05/05/18	0	05/05/19	05/05/19*	24/05
041	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2005 (Appropriation Act No. 4, 2004-2005)	05/03/22	05/03/23	1	1	1	05/03/23	05/03/23*	12/05
C-42	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2006 (Appropriation Act No. 1, 2005-2006)	05/03/22	05/03/23	1	1		05/03/23	05/03/23*	13/05
C-43	An Act to implement certain provisions of the budget tabled in Parliament on February 23, 2005	05/06/16	05/06/21	National Finance	05/06/28	0	05/06/28	05/06/29*	30/05
C-45	An Act to provide services, assistance and compensation to or in respect of Canadian Forces members and veterans and to make amendments to certain Acts	05/05/10	05/05/10	National Finance	05/05/12	0	05/05/12	05/05/13*	21/05
C-48	An Act to authorize the Minister of Finance to make certain payments	05/06/28							
C-56	An Act to give effect to the Labrador Inuit Land Claims Agreement and the Labrador Inuit Tax Treatment Agreement	05/06/16	05/06/20	Aboriginal Peoples	05/06/21	0	05/06/22	05/06/23*	27/05
C-58	An Act for granting to Her Majesty certain sums of money for the federal public administration for the financial year ending March 31, 2006 (Appropriation Act No. 2, 2005-2006)	05/06/15	05/06/21		1		05/06/22	05/06/23*	28/05
			COMIN	COMMONS PUBLIC BILLS					
No.	Title	1st	2nd	Committee	Report	Amend	3rd	R.A.	Chap.
				The state of the s		-		The same of the sa	

C-259 An Act to amend the Excise Tax Act 05/06/16 (elimination of excise tax on jewellery) C-302 An Act to change the name of the electoral 04/12/02 04 district of Kitchener—Wilmot—Wellesley— Woolwich C-304 An Act to change the name of the electoral 04/12/02 04 district of Battle River
1st 2nd 05/06/16 04/12/02 04/12/07 04/12/02 04/12/07
An Act to amend the Excise Tax Act (elimination of excise tax on jewellery) An Act to change the name of the electoral district of Kitchener—Wilmot—Wellesley—Woolwich An Act to change the name of the electoral district of Battle River

O I III	BILLS
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Chap.	17/05	1									,		
X.A.	05/05/05*	1									1		
	04/11/02	04/10/26						<i>*</i>	05/05/17			05/03/23	
Amend	0	0							2 observations	0		0	
Report	04/10/28	04/10/21							05/04/12	05/06/29		05/03/21	
Committee	Social Affairs, Science and Technology	Official Languages		Transport and Communications (withdrawn) 04/10/28 Legal and Constitutional Affairs				Social Affairs, Science and Technology	Legal and Constitutional Affairs	Energy, the Environment and Natural Resources	Legal and Constitutional Affairs	Social Affairs, Science and Technology	Subject-matter 05/02/10 Transport and
2nd	04/10/20	04/10/07	Dropped from Order Paper pursuant to Rule 27(3) 05/02/22	04/10/26		Dropped from Order Paper pursuant to Rule 27(3) 05/02/22	Dropped from Order Paper pursuant to Rule 27(3) 05/06/16	04/10/20	04/10/26	05/06/01	04/11/17	04/11/02	
18t	04/10/06	04/10/06	04/10/06	04/10/07	04/10/07	04/10/07	04/10/07	04/10/07	04/10/19	04/10/19	04/10/19	04/10/20	04/10/20
Title	An Act to amend the Citizenship Act (Sen. Kinsella)	An Act to amend the Official Languages Act (promotion of English and French) (Sen. Gauthier)	An Act to amend the Marriage (Prohibited Degrees) Act and the Interpretation Act in order to affirm the meaning of marriage (Sen. Cools)	An Act to repeal legislation that has not come into force within ten years of receiving royal assent (Sen. Banks)	An Act to amend the Canada Transportation Act (running rights for carriage of grain) (Sen. Banks)	An Act to amend the Supreme Court Act (references by Governor in Council) (Sen. Cools)	An Act to amend the Judges Act (Sen. Cools)	An Act to amend the Copyright Act (Sen. Day)	An Act to amend the Criminal Code (lottery schemes) (Sen. Lapointe)	An Act concerning personal watercraft in navigable waters (Sen. Spivak)	An Act to amend the Constitution Act, 1867 and the Parliament of Canada Act (Speakership of the Senate) (Sen. Oliver)	An Act to protect heritage lighthouses (Sen. Forrestall)	An Act to prevent unsolicited messages on the Internet (Sen. Oliver)
N	S-2	S-3	8-4	\$	9-8	2-5	φ. 	6-S	S-11	S-12	S-13	S-14	S-15

V

N	Title	181	2nd	Committee	Report	Amend	3rd	R.A.	Chap.
S-16	An Act providing for the Crown's recognition of self-governing First Nations of Canada (Sen. St. Germain, P.C.)	04/10/27		Subject-matter 05/02/22 Aboriginal Peoples	•				•
S-19	An Act to amend the Criminal Code (criminal interest rate) (Sen. Plamondon)	04/11/04	04/12/07	Banking, Trade and Commerce	05/06/23	-	05/06/28		
S-20	An Act to provide for increased transparency and objectivity in the selection of suitable individuals to be named to certain high public positions (Sen. Stratton)	04/11/30		Subject-matter 05/02/02 Legal and Constitutional Affairs					
S-21	An Act to amend the criminal Code (protection of children) (Sen. Hervieux-Payette, P.C.)	04/12/02	05/03/10	Legal and Constitutional Affairs					
S-22	An Act to amend the Canada Elections Act (mandatory voting) (Sen. Harb)	04/12/09							
S-23	An Act to amend the Royal Canadian Mounted Police Act (modernization of employment and labour relations) (Sen. Nolin)	05/02/01							
S-24	An Act to amend the Criminal Code (cruelty to animals) (Sen. Bryden)	05/02/03	05/03/10	Legal and Constitutional Affairs					
S-26	An Act to provide for a national cancer strategy (Sen. Forrestall)	05/02/16	05/06/01	Social Affairs, Science and Technology					
S-28	An Act to amend the Bankruptcy and Insolvency Act (student loan) (Sen. Moore)	05/03/23	05/06/01	Banking, Trade and Commerce					
S-29	An Act respecting a National Blood Donor Week (Sen. Mercer)	05/05/05	05/06/01	Social Affairs, Science and Technology					
S-30	An Act to amend the Bankruptcy and Insolvency Act (RRSP and RESP) (Sen. Biron)	05/05/10							
S-32	An Act to amend the Marriage (Prohibited Degrees) Act and the Interpretation Act in order to affirm the meaning of marriage (Sen. Cools)	05/05/12							
S-34	An Act to amend the Department of Justice Act and the Supreme Court Act to remove certain doubts with respect to the constitutional role of the Attorney General of Canada and to clarify the constitutional relationship between the Attorney General of Canada and Parliament (Sen. Cools)	05/05/16							
S-35	An Act to amend the State Immunity Act and the Criminal Code (terrorist activity) (Sen. Tkachuk)	05/05/18							
S-41	An Act to amend the Department of Foreign Affairs and International Trade Act (human rights reports) (Sen. Kinsella)	05/06/21							

PRIVATE BILLS

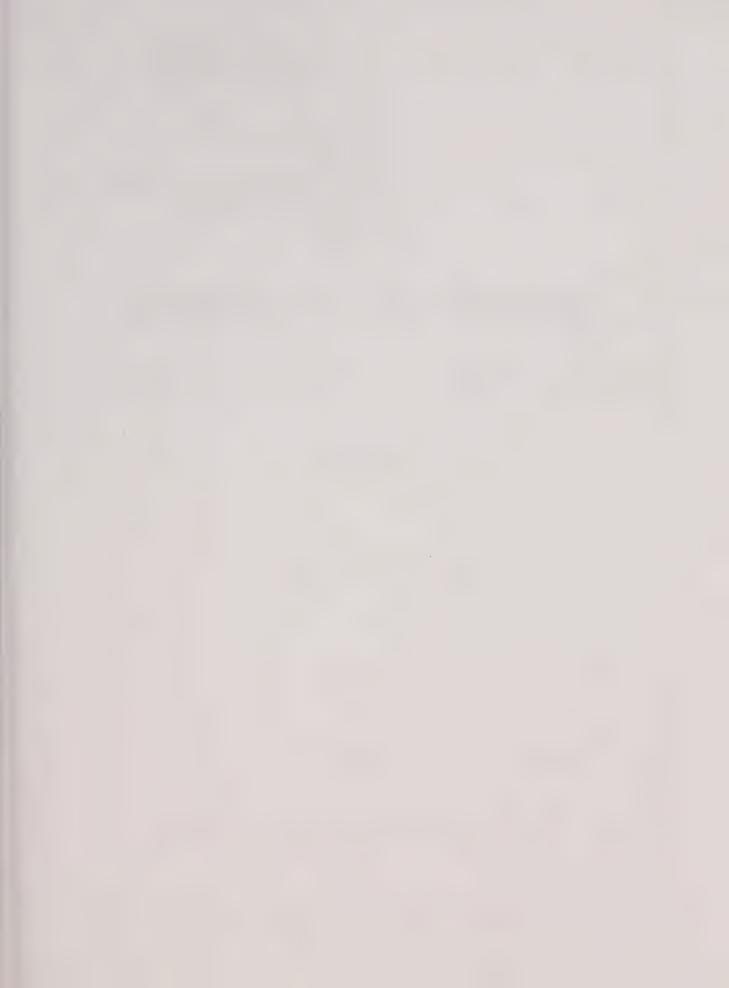
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No.	Title	1st	2nd	Committee	Report	Report Amend	3rd	K.A.	Chap.
10	S-25 An Act to amend the Act of incorporation of The General Synod of the Anglican Church of Canada (Sen. Rompkey, P.C.)	05/02/10	05/02/10 05/03/23	Banking, Trade and Commerce	05/05/05	0 observations	05/05/10 03	05/05/19*	
-	pecting Scouts Canada	05/02/17	05/04/19	05/04/19 Legal and Constitutional					
	(Sen. Di Nino)			Vilgila					,

# **CONTENTS**

# Thursday, June 30, 2005

PAGE	PAGE
ENATORS' STATEMENTS	Official Languages
	Annual Report of Commissioner—Prince Edward Island—
	Services to Acadians.
anada Day	Question by Senator Comeau.
on. Noël A. Kinsella	Hon. Bill Rompkey (Delayed Answer)
on. Jack Austin	Falin Committee
MCA Fellowship of Honour	Ethics Commissioner
ongratulations to John Lindsay Sr. on Becoming an Officer.	2004-05 Annual Report Tabled
on. Terry M. Mercer	
he Senate	ORDERS OF THE DAY
thics Officer—Conflict of Interest Committee—	
Election of Fifth Member.	
on. Serge Joyal	Business of the Senate
on. Marcel Prud'homme	Hon. Bill Rompkey
anadian Radio talaviaian and Talasammuniastiana Camminian	Hon. Noël A. Kinsella
anadian Radio-television and Telecommunications Commission ttawa—Denial of Licence to Francophone Radio Station.	
on. Maria Chaput	Criminal Code Cultural Property Functional Investor Act (Pill S. 27)
on France Chapter	Cultural Property Export and Import Act (Bill S-37) Bill to Amend—Third Reading—Debate Adjourned.
	Hon. George Baker
	Holl. George Baker
DUESTION PERIOD	Hazardous Materials Information Review Act (Bill S-40)
	Bill to Amend—Second Reading.
	Hon. Ethel Cochrane
inance	Referred to Committee
ank Mergers—Delay in Guidelines.	
on. Donald H. Oliver	Bill to Authorize Minister of Finance to Make Certain Payments
on. Jack Austin	(Bill C-48)
L. T	Second Reading—Debate Adjourned. Hon. Art Eggleton
he Environment arks Canada—User Fees.	Hon. Donald H. Oliver. 1640
on. David Tkachuk	Hon. Gerald J. Comeau
on. Jack Austin	Hon. Leonard J. Gustafson
on. Juck Hustin	Hon. Noël A. Kinsella
griculture and Agri-Food	Hon. Madeleine Plamondon
roblems in Farm Community—Possibility of Review	Hon. Lillian Eva Dyck
by Joint Parliamentary/Industry Committee.	Hon. David Tkachuk
on. Leonard J. Gustafson	Hon. Grant Mitchell
on. Jack Austin	Hon. Bill Rompkey
on. Wilbert J. Keon	Hon. Marcel Prud'homme. 1650 Hon. Terry Stratton 1650
ustice	non. Terry Stratton
commission of Inquiry into Sponsorship Program and	Rules, Procedures and the Rights of Parliament
Advertising Activities—Representation of Crown Counsel.	Fifth Report of Committee Adopted—Numbering of Senate Bills.
Ion. Marjory LeBreton	Hon. Joan Fraser
Ion. Jack Austin	
	Personal Watercraft Bill (Bill S-12)
nformation Commissioner	Third Reading—Debate Adjourned.
ne-Year Extension of Term of Mr. John Reid.	Hon. Ethel Cochrane
Ion. Noël A. Kinsella	Hon. Bill Rompkey
Ion. Jack Austin	Hon. Terry Stratton
ustice	Progress Report on Quality End-of-Life Care
ossibility of National Meeting of Ministers Responsible	Inquiry—Order Stands.
for Human Rights.	Hon. Eymard G. Corbin
Ion. Noël A. Kinsella	
Ion. Jack Austin	International Development Assistance
	Motion Urging Government to Meet Commitment—
Delayed Answers to Oral Questions	Debate Continued.
Ion. Bill Rompkey	Hon. Roméo Antonius Dallaire
	Hon. Wilbert J. Keon
ndustry	Hon. Noël A. Kinsella
Debit Card Fraud.	Hon. Terry Stratton
Question by Senator Oliver.  Ion. Bill Rompkey (Delayed Answer)	Hon. A. Raynell Andreychuk
LOMPROY (LOUGHOUSE)	

PAGE	PAGE
Inter-Parliamentary Union Inquiry—Order Stands. Hon. Pierre Claude Nolin	Rules, Procedures and the Rights of Parliament Motion to Authorize Committee to Study Application of Charter of Rights and Freedoms in the Senate—Debate Adjourned. Hon. A. Raynell Andreychuk
Social Affairs, Science and Technology Committee Authorized to Meet During Adjournment of the Senate. Hon. Michael Kirby	Adjournment Hon. Bill Rompkey
Hon Noël A Kinsella	Progress of Legislation





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CANADA

# Pebates of the Senate

1st SESSION

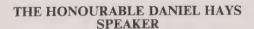
38th PARLIAMENT

**VOLUME 142** 

NUMBER 80

OFFICIAL REPORT (HANSARD)

Monday, July 4, 2005





This issue contains the latest listing of Senators, Officers of the Senate, the Ministry, and Senators serving on Standing, Special and Joint Committees.

# CONTENTS

(Daily index of proceedings appears at back of this issue).



# THE SENATE

Monday, July 4, 2005

The Senate met at 4 p.m., the Speaker in the chair.

Prayers.

# SENATORS' STATEMENTS

## LIVE 8

Hon. Mobina S. B. Jaffer: Honourable senators, I rise today to pay tribute to the organizers, artists and attendees of the Live 8 concert series. More importantly, I rise as an African Canadian to draw attention to its important message. Live 8 was put together by Sir Bob Geldof, Bono of U2 — both Irish — and many other artists around the world.

In last Friday's Globe and Mail, John Doyle eloquently set out the challenges faced by the Irish people during the great famine of the mid-19th century. He wrote:

What happened in the Irish famine of the 1840s began with a force of nature, but was exacerbated by economic policy and political philosophy. That is precisely why the memory of it motivates Geldof and Bono to act on behalf of the people in Third World countries who suffer not only natural disasters, but are at the mercy of foreign governments and policies that are remote from them.

As someone who comes from Africa, I can tell senators that anything that can be done to raise awareness is more than welcome. I stand in this chamber to add my voice to the voices of thousands of Canadians that say we need to look at solving these problems not piecemeal but as a whole.

As Canada's envoy for peace in Sudan, it was with great sadness in 2001 when I learned of the loss of 2 million people in southern Sudan and the displacement of another 4 million from their homes while the world was silent.

Over the last few years Canada has been engaged in the Sudan and has provided resources to assist in forging peace. However, while our attention was focused on the conflict in southern Sudan, the world ignored the problems of Darfur, which lead to the needless suffering of many Darfurian men, women and children. Again, as we assist in Darfur the problems in eastern Sudan are on the rise. Fighting has broken out between government forces, the Free Lions and the Beja Congress. This illustrates that when such a problem is addressed in a piecemeal way, the suffering continues

Recently I was in eastern Sudan. Each night when I go to sleep, I literally feel the tug of the pregnant mother, surrounded by her three small children, who grabbed my wrists as I walked through Kassala. She had heard that I was Canada's envoy and she pointed me toward the trucks being loaded to send food and other supplies to Darfur. Obviously, it had been many days since she

and her children had eaten, and she pleaded with me, "When will my children be allowed to eat?" I did not have an answer; and I still do not have an answer.

Honourable senators, it is important that we take the message of Live 8 to heart. We have it in our power to address these issues as a whole. I urge all senators to add their voices to those of all Canadians to help make poverty history.

# INTER-PARLIAMENTARY UNION HUMAN RIGHTS COMMITTEE FOR PARLIAMENTARIANS

Hon. Sharon Carstairs: Honourable senators, for the last year or so I have had the privilege of serving on the Human Rights Committee for Parliamentarians of the Inter-Parliamentary Union, which is why I was notably absent for a period of about 10 days. I was in Samoa on an IPU mission. The Leader of the Official Opposition had launched a complaint about issues governing that nation, and so I was sent to investigate.

I do not believe that many honourable senators have a conscious idea of what this human rights committee is all about, and so I will explain. The IPU is comprised of 143 nations and is sometimes referred to as the United Nations of parliamentarians. A parliamentarian who for whatever reason thinks that his or her rights have been denied can make application to this committee for an investigation. The committee deals with cases of members of Parliament who have literally disappeared off the face of the earth. We deal with parliamentarians who have been incarcerated for extraordinarily long periods of time. We deal with parliamentarians who think that their voices are not heard in the legislature or the Parliament to which they have been elected.

Honourable senators, Canada is a fortunate country. We have the opportunity to serve on such committees so that we can help and assist parliamentarians from countries such as Burma, the former South Africa and Zimbabwe, where parliamentarians do not have their rights recognized by the parties in power. Thus, it is a great honour and privilege to serve on this committee, to represent Canada, which has so much, and to help those who have so little.

[Translation]

# **CANADA DAY**

Hon. Marie-P. Poulin: Honourable senators, last Friday I celebrated Canada Day, as you all did. The celebration I attended was in Sudbury, and what a fine celebration it was. The success of the event was in large part due to all the time so generously contributed by Sudbury's many visible minorities. This again made me aware of the great changes taking place in all of Canada, in all regions.

I have introduced a motion in the Senate calling for a special committee of the Senate to be appointed to examine the growing gap between regional and urban Canada. In the context of globalization and of our desire to improve productivity, it is important that we, as an institution, take the time to step back for a look at our country and the balance we want to see between our major centres and smaller ones, as well as for a closer look at the regions where all of our natural resources are found.

Honourable senators, on this day, the national holiday of our neighbours to the South, we must take advantage of the occasion, not only to extend our best wishes to them, but also to realize that we must, as partners in North America, play a major role in the current context of globalization.

• (1610)

# LOCATION OF SHRINERS PAEDIATRIC HOSPITAL

Hon. Marcel Prud'homme: Honourable senators, I hate to stir things up after all this applause, but the last two senators to speak raised two issues that I find particularly interesting, including one on the Inter-Parliamentary Union.

The independent senators have been eliminated from this association through an extraordinary sleight of hand, while I have given 40 years of my life to the Inter-Parliamentary Union. I will talk about that when I am contributing to the debate on the Inter-Parliamentary Union. I will tell you some great stories and also some horror stories.

There is one issue that really infuriates me, especially now when we are celebrating our friends from the United States. I will be going to the States shortly, since I always go there to celebrate their Independence Day.

I find this dispute between Ontario and Quebec over the Shriners hospital despicable. This bickering between the two premiers really disgusts me. It makes me sick and it makes me want to throw up. Every effort is made to save this great and wonderful Canada from sea to sea, but sometimes I wonder when that argument is appropriate. When is it appropriate, honourable senators? Was it appropriate for Mr. Charest to tour Quebec to boast about the Canadian passport on the eve of the referendum? Was that appropriate?

And now, when we are still faced with so many crises in Quebec, two premiers are fighting over a hospital that should be located in Montreal. I find it disturbing to watch these two premiers get involved in this issue, especially that lame-brained Premier of Ontario.

I heard what the tape from London, Ontario. I heard it on Radio-Canada. Honestly, honourable senators, is this how we are going to save this beautiful, great and noble country called Canada? I can assure you that what I heard on Radio-Canada, in other words, pitting London's beauty against Montreal, will not help.

Given the support of the Premier of Ontario, I find this situation quite revolting. These people will return yet again with their hands on their hearts, before future referendums in Quebec,

to profess their great love for us, only to forget it the very next day! Both premiers should have stayed out of the debate: Mr. McGuinty with his provocation and the natural provocation in Mr. Charest's response.

We French-Canadians here are trying to build this country; we are trying to build it with our friends in Alberta and we are trying to set an example for the rest of the world, as Senator Carstairs said. And here are two — I was almost about to say two morons — battling each other for a hospital that should remain in Montreal forever!

[English]

# REMOVAL OF FARM SUBSIDIES

Hon. Mac Harb: This will be an unusual statement for me, as I wish to pay tribute to George Bush of the United States. I want to pay tribute to him as a Liberal, by extension a democrat, an internationalist and a capitalist with a social heart. I want to congratulate the President of the United States, George Bush, on a statement he made recently, and that is, for the rich world to remove the subsidies for the farming industry.

Some Hon. Senators: Hear, hear!

Senator Harb: I think this is by far the boldest statement we have ever heard from a leader of a great country such as the United States. Frankly, honourable senators, if we are serious about helping the least developed nations, we have to remove trade barriers so those countries can sell their products in our markets. Therefore, the removal of US \$350 billion in subsidies that go to farming industries in the European Union and the United States, as well as in Canada and Japan, I would say, will go a long way to helping the poorest nations in their fight against poverty.

Furthermore, honourable senators, rich nations have to go one step farther and not only talk the talk but also walk the walk. Trade barriers that are not necessarily on the books but are obstacles nonetheless as a result of flaws in the European Union system, and to a large extent in the United States as well, the precautionary clauses, must be removed. Notwithstanding the rule of law, farmers and producers in poor nations find themselves subject to what is not in the law. Therefore, I hope that the statement of the President of the United States will be taken to heart by the leaders of the European Union, Canada and Japan, and implemented, moving us one step forward toward creating a level playing field for all around the world.

Honourable senators, that brings me to the next step. When I say not only talk the talk but also walk the walk, I also want to pay tribute to the government of this country that only recently removed trade barriers on all goods and products that come from least-developed countries, whereby countries such as Bangladesh have been able to quadruple their exports to Canada. As a result of that initiative, some 1.8 million people, most of whom are young females, were able to keep their jobs to support their families.

# THE HONOURABLE LANDON PEARSON

CONGRATULATIONS ON BEING NOMINATED AMONG GROUP OF 1,000 WOMEN TO RECEIVE 2005 NOBEL PEACE PRIZE

Hon. John G. Bryden: Honourable senators, I want to refer briefly to the fact that my seatmate, Senator Landon Pearson, has been nominated, as one of 1,000 women from around the world, for the 2005 Nobel Peace Prize.

Hon. Senators: Hear, hear!

Senator Bryden: Senator Pearson's inclusion in the nomination is due to her efforts to protect and promote children's rights, both in Canada and abroad — her long-term commitment to, and deep understanding of, the cause of children's rights. Involved with public policy related to children's issues since the 1960s, Senator Pearson co-founded a children's mental health prevention program in Ottawa, Canada, in 1974. As the Vice-Chair of the Canadian Commission on the International Year of the Child, she travelled across Canada from 1978 until 1980, consulting with Canadians to draft the national agenda for action under the administration of Prime Minister Pierre Elliott Trudeau. Senator Pearson was successful in convincing the commission of the importance of consulting the opinions of children and young people as well, long before children's right to participate was entrenched in article 12 of the Convention on the Rights of the Child.

Just as I and all of you are proud of being one of the 105 people who are chosen to be members of this chamber, I think all of us are proud that Senator Pearson is one of the 1,000 women in the world nominated for the Nobel Peace Prize.

(1620)

# ORDERS OF THE DAY

# BILL TO AUTHORIZE MINISTER OF FINANCE TO MAKE CERTAIN PAYMENTS

SECOND READING—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Eggleton, P.C., seconded by the Honourable Senator Baker, P.C., for the second reading of Bill C-48, to authorize the Minister of Finance to make certain payments.

Hon. Joseph A. Day: Honourable senators, we had a good, fulsome debate on this bill on Thursday last, and a number of questions were raised. I had an opportunity to study those questions and the transcript and perhaps I could touch on a few of those questions in my time in debate on this particular bill, Bill C-48.

Honourable senators will recall Bill C-48 is entitled, An Act to authorize the Minister of Finance to make certain payments. Usually, the Senate Standing Committee on National Finance will look at a bill like this — that is, one that authorizes payments or purports to authorize payments — to see if it has a Royal Recommendation. That does appear and so, from a form point of view, the bill appears to be in order.

The recommendation reads:

Her Excellency the Governor General recommends to the House of Commons the appropriation of public revenue under the circumstances, in the manner and for the purposes set out in a measure entitled: "An Act to authorize the Minister of Finance to make certain payments".

Honourable senators, this bill is three clauses long and comprised of two pages. The first part authorizes the minister to make certain payments. In the second part of the bill, I should like to draw your attention to clause 3, which provides as follows:

3. For the purposes of this Act, the Governor-in-Council may, on any terms and conditions that the Governor-in-Council considers appropriate, authorize a minister to...

It then goes on to state that any minister of the Crown "develop and implement programs and projects." One of the questions raised on Thursday was: Are these new programs or can this money that is allocated in this particular bill be used to supplement existing programs? The first paragraph states:

(a) develop and implement programs and projects;

The Governor-in-Council may authorize a minister to enter into agreements "with the government of a province, a municipality or any other organization or any person." That is similar to several agreements that have been signed with respect to provinces. That is to catch that kind of situation, for example, the new deal for municipalities, the GST rebate arrangements and other transfer payments.

Paragraph (c) states:

(c) make a grant or combination or any other payment;

The authorization to make the payment comes from the Governor-in-Council. Although the Minister of Finance is authorized in this bill to release those funds, there is a check on the Minister of Finance by requiring the Governor-in-Council to authorize the grant, contribution or other payment.

Finally, paragraph (d) states:

(d) subject to the approval of Treasury Board, supplement any appropriation by Parliament;

That is the second aspect of the question that was raised the other day. Is this a new program or is this a program that would supplement an existing program? The answer is clear. In paragraph 3, it can be either. The option would then be for the Minister of Finance, in conjunction with the Governor-in-Council, to make that determination after consultation with all of the stakeholders in that particular area.

Honourable senators will recall that, the upper limit with respect to Bill C-48 is \$4.5 billion. However, there are other requirements. That is over a two-fiscal-year period. Starting in the first year, there must be a surplus in excess of \$2 billion before that particular bill is triggered. Bill C-48 provides that, over two years, there will be a surplus of \$4 billion before any funds can be disbursed with respect to this particular bill. The government has traditionally used part of the surplus. There has been an unwritten custom that up to 50 per cent of the surplus in any year goes to pay down the accumulated debt. Honourable senators can see that tracking the surplus must be there as another activity of government before this particular bill is triggered.

There are other requirements in the wording of this bill. There are certain categories where these initiatives must take place, and a certain limit on each category. Honourable senators will recall that for the environment there is \$900 million; for training and post-secondary education, \$1.5 billion; for housing, \$1.6 billion; and for foreign aid, \$500 million. This is legislated spending authority.

We dealt with the supply bill two weeks ago. That bill is another manner in which authority is given by Parliament to the government to appropriate and spend funds. This bill constitutes legislated spending authority and, if all the other conditions are met, it will allow the minister to spend that amount of money.

There was a question as to whether the initiatives are new or will supplement existing programs. I have touched on that. It is found in clause 3, paragraph (c) of the bill. There were questions as to how one determines if there is a surplus and if one must wait until after the fiscal year, in March. When all the outstanding bills are in, somewhere in the period of September or October, the government will typically determine roughly what the surplus or the deficit will be. The Auditor General has stated that the current fiscal year must be closed out before the new fiscal year begins. There is a period of time from, say, September to the end of March, when the funds could be disbursed. This disbursement period lags the fiscal year by six months.

There is nothing in this bill that prohibits a disbursement prior to that time, but it will take a very confident Minister of Finance to determine this surplus in excess of \$2 billion and make the disbursement before the Department of Finance states that there will be a surplus.

• (1630)

The answer is yes, the funds can be disbursed before the end of the fiscal year. However, in all likelihood, all funds will not be disbursed. I think the minister would want to be prudent in that regard.

There were a good number of other questions concerning specific plans regarding the environment. There were questions concerning specific plans relating to training, low-income housing and post-secondary education for Aboriginals.

Honourable senators, these are all very good questions. However, in my respectful submission, those are questions that should be put to witnesses at the committee. We assume that the bill will be referred to the Standing Senate Committee on National Finance. Those are the types of questions that we would ask of witnesses who appear before the committee.

This being second reading of the bill, we look at it from the point of view of its structure. Is there a recommendation from the Crown? There is. We also look at the bill from the point of view of principles. Principles are typically debated at second reading.

Honourable senators are undoubtedly in support of the principles of this bill. It would provide more funds for environmental initiatives, post-secondary education, affordable housing and foreign aid. As the Honourable Senator Dyck stated in this place on Thursday, June 30:

This bill contains items with which no one in this house would disagree. They are motherhood issues. The questions are with respect to the process and the plan.

Honourable senators, I do not disagree with those remarks. The questions with respect to process and plan are developed at committee and are best put at committee where we can deal with them.

It is my submission that we get this bill to committee. Typically, the Standing Senate Committee on National Finance meets on Tuesdays and Wednesdays, and the committee is anxious to proceed with this bill. I submit that the time has come for this three-clause bill to be sent to committee so that the committee can deal with the questions as to plan and process that so many honourable senators have raised.

Hon. Donald H. Oliver: Honourable senators, I wish to commend Senator Day on his remarks on this important piece of legislation. I do note, however, that many of his remarks dealt with the power and the authority of the executive branch while not many of his remarks dealt with the power of the legislative branch, in particular in relation to concepts of accountability. It is about the latter that I wish to make a few remarks in joining this debate.

We now have before us a copy of Bill C-48, to authorize the Minister of Finance to make certain payments. The intent of the bill is to allow the federal government to spend up to \$4.5 billion for specific purposes over the next two fiscal years. These payments will be drawn from any unplanned fiscal surpluses that exceed \$2 billion, as set forth by Senate Day.

According to clause 2(1) of the bill, the new spending is to be allocated to the following initiatives: \$1.6 billion for affordable housing; \$1.5 billion for post-secondary education and training; \$900 million for the environment, including public transit and an energy-efficient retrofit program for low-income housing; and \$500 million in foreign aid.

While Bill C-48 covers important areas of public spending, it contains numerous flaws. I am concerned that Bill C-48 contains no explanation of the mechanisms for spending. It does not provide sound accountability mechanisms. It offers little provision for adequate parliamentary oversight. I also believe that Bill C-48 raises issues of fiscal responsibility.

I will now address each of those concerns in turn. It is unclear how the new spending will be allocated. For example, how will the \$1.6 billion for affordable housing initiatives be spent? Will it be invested in cities, in small villages or remote communities? Will new programs be put in place or will existing programs see their funding increased? Will the new investment help alleviate homelessness in Canada? Bill C-48 does not provide any answers to any of these questions.

Similarly, Bill C-48 does not describe a mechanism that spells out how investment will be made in the area of post-secondary education and training. How will this new spending supplement the existing measures provided, for example, under the Canada Health Transfer and financial assistance to students? Which Canadians in particular will benefit from this new investment? How will funding be allocated to them and on what basis? What proportion of these new funds will help support students from low-income families? What type of training support is intended to be provided?

Bill C-48 is just not detailed enough to provide clear answers to these questions. Senator Day has said the place for raising questions like this is not in the chamber but in the committee. Why was it not in the bill in the first place?

What about the environment measures aimed at public transit? Which federal department will be responsible for administering the proposed \$900 million?

Similarly, with respect to foreign aid, is the proposed \$500 million intended for a specific type of initiative or a particular country or region? If so, which department or agency will be responsible for administering these funds?

Parliamentarians are given no information whatsoever to help us make a deliberate opinion. There is no answer to any of these questions. How to best deliver on these commitments is not specified in the proposed legislation.

At this point in time, it is unclear whether it will be determined through consultations with affected parties and the various departments involved or done unilaterally by the government. In other words, we are asked to vote on legislation worth \$4.5 billion with virtually no information as to how it is to be delivered, to whom it is to be provided and which departments will manage the funds.

This is in sharp contrast to the estimates process and estimates documents which are provided with a full and detailed account of each department's spending. It is my view that not providing the details on programs or how the programs are to be administered is irresponsible use of taxpayers' money. Canadians expect and deserve accountability and transparency as to how their tax dollars are being spent.

Concerning accountability, honourable senators, not only are we asked to vote on a bill that sets out spending without the appropriate information, such as the terms and conditions of payment and the details on specific program parameters, but we must also vote on a bill that contains neither provisions for audit, evaluation or reporting. In other words, Bill C-48 contains no clear measures for government accountability.

Through Bill C-48 the federal government seeks authority to spend some \$4.5 billion without a plan and without offering Parliament the necessary information as to what the executive can be held accountable for. As Chair of the Standing Senate Committee on National Finance, I am greatly concerned about this lack of accountability.

As to lack of parliamentary oversight, Bill C-48 gives the Minister of Finance the authority to spend part or the total to a \$4.5-billion threshold. This will be at the discretion of the minister.

Moreover, clause 2(2) of Bill C-48 contains this open-ended statement: "...the Governor-in-Council may specify the particular purposes...." In other words, the "particular purposes" are not specified for which funds are to be made available nor are the "amounts of those payments for the relevant fiscal year." In other words, cabinet can choose to spend the money as it sees fit. As such, parliamentary oversight has been sacrificed. It can hardly be considered fiscally responsible for the Minister of Finance to act in this fashion.

• (1640)

Honourable senators, I find Bill C-48 to be poorly drafted. The government can do whatever it decides. As parliamentarians, we are only asked to rubber-stamp the proposed legislation. This is not the way that budgets are supposed to be made. Spending decisions are usually based on a process of prioritization. For each decision, each initiative, there is debate internally, within departments and within the cabinet, and there is wide consultation with parliamentary committees. This process has not taken place on Bill C-48. There has been little opportunity for any kind of open debate. There is a clear lack of parliamentary input into the budgetary-making process for Bill C-48.

As I mentioned earlier, the \$4.5 billion in new spending under Bill C-48 is conditional upon there being a surplus of at least \$2 billion in the next two fiscal years. We are told that otherwise this money will not be spent. Senator Eggleton made that clear on several occasions when he gave his introductory remarks at second reading on this bill.

In other words, the federal government needs to be assured that the \$2-billion threshold will be met before any payments proposed under Bill C-48 can be made. This raises three issues. The first issue is year-end spending. It is my understanding that the government will not plan to spend any money if the money is not in place. The Minister of Finance will be in a position to make some or all of the payments set out in clause 2 of Bill C-48 only once the surplus is known. Senator Day has told us that the government will know the surplus six months in advance of the

end of the fiscal year. I do not know how that can be done. This may re-open the door to irresponsible year-end spending where departments have little time left to spend their budget.

The second issue is broken promises. What if the \$2-billion threshold is not met? What then would the government's priority be? Would it be environment or post-secondary education? Would the proposed spending be apportioned at that point between the specific sectors mentioned in the first clause of Bill C-48? Would it be proportionate to the amount specified in the bill? We do not know. There is no certainty that the federal government will honour its commitments. Many Canadians, particularly those in need of affordable housing, and students from low-income families may see their hopes fade away if the \$2-billion threshold is not met.

The third issue is that Bill C-48 is unique in that it is the first time that spending authority would be provided that is subject to there being a minimum fiscal surplus. Is this really a prudent approach to fiscal management? In his brief to the House of Commons Finance Committee, Michael Murphy, Senior Vice-President (Policy), Canadian Chamber of Commerce, stated:

Bill C-48...was concluded so quickly with little effort to determine whether the new spending initiatives are effective in boosting productivity and fostering long-term economic growth. It showed a clear lack of planning and long-term strategic thinking on the part of the federal government.

Honourable senators, it is my view that the proposed legislation will make it very difficult to continue on a path of debt reduction and tax relief, a path that is so crucial to ensuring economic prosperity. Honourable senators will be aware that usually any unanticipated surplus at the end of fiscal year is automatically directed to debt reduction. Over the next two fiscal years, a good part of any surplus will be used to fund the new spending initiatives contained in this bill and totalling \$4.5 billion. The pace of debt reduction will accordingly be slower.

Honourable senators, Bill C-48, as it is currently drafted, may appear like a statement of broad generalities. It does, however, raise numerous concerns related to a lack of accountability and most of all a lack of opportunity for parliamentarians such as us to have some oversight. It also mitigates long-term planning that is necessary for fiscally responsible government and creates uncertainty with respect to debt and tax reduction.

There are many problems with Bill C-48. In particular, we need to ask ourselves whether Bill C-48 sets a dangerous precedent for Canada, as it provides the federal government with the authority and flexibility to spend, as it sees fit and without parliamentary scrutiny, up to \$4.5 billion in the next two years without requisite transparency or accountability.

Honourable senators, when this bill goes to committee, as Senator Day has suggested, I hope the committee will hear many witnesses who will speak to many of the unanswered questions that this hurried piece of legislation provokes. I am not suggesting in any way that it is up to the standing committee to bring in

amendments to alter or change a budget bill. However, the failure of important concepts of transparency and accountability, parliamentary oversight and systematic-payment mechanisms must not be allowed to be repeated. It is my hope, therefore, that the Senate committee will at least consider drafting observations to accompany the report, which observations will comment on the fact that the Senate frowns upon leaving so much spending discretion to the executive.

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, I wonder whether the honourable senator would take a question or two.

Senator Oliver: Yes, I will try.

Senator Kinsella: Would the honourable senator remind us as to how many dollars are covered by the NDP budget. After he tells us how many dollars are involved, would he tell the chamber how many pages make up Bill C-48?

Senator Oliver: Honourable senators, the amounts included in Bill C-48 are \$4.5 billion, and the bill covers roughly two pages.

Senator Kinsella: Honourable senators, clearly this must be some sort of a record in Canadian financial planning. I do not know, but I am sure honourable senators would agree that, whether in their own domestic budgets or in budgets they dealt with in other roles they have played throughout their respective careers, nothing would be as irresponsible as that kind of planning.

I asked Senator Eggleton, the sponsor of the bill, a question the other day. I was interested in the \$900 million that he told us would be made available under the NDP budget for public transit. Given Senator Eggleton's distinguished career, he has an interest in one major metropolitan community. Senator Oliver comes from the city of Halifax. Can he tell us whether there is anything in this bill that would give the people of Halifax any confidence as to available funds for the needs of transit service upgrading in Halifax?

Senator Oliver: That is an extremely good question. Regretfully, however, this legislation gives no indication whatsoever as to what kind of assistance in transit there can be for rural areas or smaller cities. What will likely happen is that the larger cities, such as the city of Toronto, will see the bulk of those funds going in their direction.

Senator Kinsella: I have another question for Senator Oliver, who so capably chairs the Standing Senate Committee on National Finance and who quite often has the Minister of Finance before his committee. Is it not Senator Oliver's experience that the Minister of Finance, when he appears, is well briefed and is able to articulate in great detail the various files that the committee would be examining? How does the honourable senator feel that the Minister of Finance, intellectually and based upon his previous outstanding performance, could consent to this kind of a budget presentation being laid before Parliament?

Senator Oliver: That is another excellent question.

The Minister of Finance has indeed appeared before the National Finance Committee on previous occasions. He has addressed government legislation both directly and precisely, and in a very concise way. In his past, the Minister of Finance has held a number of other portfolios and has, according to media accounts, discharged them in a specific way.

(1650)

Bill C-48 seems uncharacteristic for this particular minister, who is used to having detail, precision and answers given in the legislation, so that the kinds of questions asked in this debate on both sides of the chamber in the last few days would not be raised.

It is my submission, therefore, that the hand of this finance minister does not seem to be so clearly put on this two-page masterpiece as has been the case in the past.

The Hon. the Speaker: I regret to advise that Senator Oliver's time has expired.

Senator Day: Honourable senators, I wonder if Senator Oliver could ask for an extension of time so that I could ask him a question.

Senator Oliver: I would be pleased to hear from my learned colleague Senator Day.

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I think you would find agreement to have the time extended for five minutes.

Hon. Senators: Agreed.

Senator Day: Honourable senators, my question will be asked after a short preamble. I thought I heard the honourable senator say that I had earlier stated that the surplus could be determined six months before the fiscal year-end.

Senator Oliver: That would be September.

Senator Day: I wish to suggest that I said the opposite, that is, that it would be six months after fiscal year-end. Perhaps I was not enunciating clearly enough.

Does the honourable senator agree with my comment now, that approximately six months following fiscal year-end the government can determine what its surplus is likely to be?

Senator Oliver: I agree entirely with the honourable senator. I apologize if I misinterpreted. I thought I heard Senator Day say that governments are always reviewing spending, such that if the budget comes in in March of one year, by September of that year, six months hence, they have a pretty good idea of what they will have left for the rest of that fiscal year, before March, so they can start spending in September, before the end of that fiscal year. That is what I heard the honourable senator say, and if he did not say that, I deeply apologize.

Senator Day: I apologize for not being clear enough on that point, but being on the same committee, we both understand one another.

My question for the honourable senator is this: As Chair of the National Finance Committee, would the departmental performance reports — which are filed by each department — not provide for parliamentary oversight with respect to expenditures?

Senator Oliver: That is certainly one form. As honourable senators know, the mandate of the Standing Senate Committee on National Finance is to deal with budgets and estimates of government as well as the tabled report of the Auditor General of Canada. If the Auditor General were to do an audit of the money that flows from Bill C-48 and table her report, we could have the Auditor General appear, as we do each year, to comment on it. That is another avenue.

However, many other more direct avenues would have been appropriate, such as pre-budget consultations.

Hon. John G. Bryden: I am curious as to the source of that \$4.5 billion. Given that the honourable senator is on the public record for being able to save taxpayers billions of dollars in his capacity as chair of the Finance Committee, has he saved enough yet to pay \$1 billion or \$2 billion of the \$4.5 billion?

Senator Oliver: That is an excellent question. As the honourable senator knows, the government itself, through the Treasury Board, has created the new Expenditure Review Committee, chaired by Minister McCallum, and it has gone to many government departments. In the first year, the Expenditure Review Committee has already found more than \$5 billion that can be reallocated, and that is an internal process done by the government itself, which demonstrates that billions of dollars are to be found and saved. The committee is continuing its search in those directions.

Senator Bryden: That committee gets the honourable senator off the hook, then, of having to save billions of dollars. It is doing it for him.

Senator Oliver: I do not think it gets us off the hook. The committee is still charged with the mandate of looking into estimates and government spending, and that is ongoing.

Hon. Anne C. Cools: Honourable senators, I rise today to join this debate at second reading of Bill C-48, to authorize the Minister of Finance to make certain payments — which, according to Senator Oliver, is uncharacteristic of this Minister of Finance. It is an interesting concept, one that we can pursue perhaps at some point in time.

I rise to record my objections to the bill and the mode of its creation and its purpose.

I begin by noting that Senator Day mentioned in his comments of a few moments ago the Royal Recommendation, which is the requirement of section 54 of the BNA Act. I was hoping and anticipating that Senator Day would tell us how it is that the leader of a fringe party, or the fourth party in the House of Commons, was able to have influence with the Governor General

to obtain a Royal Recommendation since, as we know, there is no role for the leader of a fringe party in the House of Commons to have a role in what we call the financial initiatives of the Crown. The term that Senator Oliver often uses is "transparency and parliamentary oversight." The term that I was trained and raised to use is "control of the public purse." There is quite a difference between "oversight" and "control."

Honourable senators, Bill C-48 is a budget arrangement that was cynically forged by a foundering Liberal minority government in an effort to obtain support.

On February 23, 2005, the Minister of Finance introduced his real budget bill, Bill C-43, in the other place, at which time he outlined the financial requirements and priorities of the government. Some months later, on May 6, 2005, Bill C-48, the bill now before us, received first reading in the House of Commons. The government's new set of financial requirements and necessities worth \$4.6 billion were revealed in C-48. This, to my mind, was occasioned by a strange, bizarre and unprincipled budget bill arrangement between the Prime Minister and the leader of the fourth party.

Honourable senators, a few moments ago, we were talking about the size of the bill. For the record, Bill C-48 is exactly three clauses in length. By my reckoning, each clause is worth \$1.5 billion. I do not know how often we have such expensive clauses.

As I said, honourable senators, the bill revealed the government's new set of financial requirements and necessities worth \$4.6 billion, and it is a product of the strange arrangement forged between the Prime Minister of Canada, Paul Martin, and Jack Layton, the leader of the New Democratic Party — the NDP having received the lowest number of votes in the House of Commons in the 2004 election.

Consequently, Bill C-48, which is the parliamentary expression of this arrangement between the Prime Minister and Jack Layton, undermines our parliamentary notions of the financial initiatives of the Crown. Bill C-48 has also undermined the Minister of Finance himself and, most important, has undermined Parliament and the constitutional notion of Parliament as the controller of the public purse.

# • (1700)

Honourable senators, the notion of financial initiatives of the Crown demands that the appropriation expenditure of tax dollars be at the initiative of the Crown, meaning ministers. Mr. Jack Layton, as leader of a fourth party, and not the leader of the opposition, has no role in any financial initiatives of the Crown. I am hoping that Senator Day or Senator Austin will give us an explanation of this rather bizarre leap. It is rather strange and odd, unprecedented and improper.

Honourable senators, I believe that Bill C-48 is improper and unparliamentary. I will cite some constitutional authority for the notion of the financial initiatives of the Crown. I cite *Beauchesne's Parliamentary Rules and Forms*, 6th edition, paragraph 595:

The Crown, being the executive power, has the responsibility for the raising and spending of money. Acting through responsible Ministers, the Crown makes known to the Commons the financial necessities of the government.

It does not say that Jack Layton should make known his financial necessities.

I continue in this vein with Marleau and Montpetit. In their House of Commons Procedure and Practice at page 697 they state:

As the Executive power, the Crown is responsible for managing all the revenue of the state, including all payments for the public service. The Crown, on the advice of its Ministers, makes the financial requirements of the government known to the House of Commons which, in return, authorizes the necessary "aids" (taxes) and "supplies" (grants of money).

Honourable senators, budgets for a government are very serious undertakings, made by a government to a Parliament and to the people of Canada. They are not arrangements to be conceived hastily for the purposes of ambition or naked power. On the purpose and function of government's budgets, Marleau and Montpetit inform us at page 699:

The Budget outlines the government's fiscal, social and economic policies and priorities...

Bill C-48 was conceived in a set of realities that do not uphold the principles and maxims that constitute a proper budgetary process formed under the financial initiatives of the Crown.

Honourable senators, the financial initiatives of the Crown is the most serious responsibility of the government, coupled with the notion of ministerial responsibility to Parliament and ultimately to the Canadian people.

The requirements and necessities that drove Bill C-48 were not part of the budgetary process formulated for the benefit of all Canadians, but formed, rather, the requirements and necessities for Mr. Paul Martin and his government to maintain power and to stay in power.

I believe that the Prime Minister abused his powers under the financial initiatives of the Crown to engage in an exchange of raw political self-interest in order to survive confidence votes on the budget bills in the House of Commons. Mr. Martin subjugated the country's finances to the vanity of the leader of a fringe party, the fourth party in the other place. This shoddy, unparliamentary act has underscored the moral and intellectual paucity that is the hallmark of this government. Paul Martin pledged to Mr. Layton the outcome of votes on financial matters. I would have thought it was inconceivable that a prime minister could commit Parliament in such a shoddy and hasty way. No Prime Minister is supposed to pledge Parliament in this way. It is unheard of, and extremely hard to find material.

Honourable senators, recorded in *The Opinions of Sir Robert Peel Expressed in Parliament and in Public*, published in 1843, Sir Robert Peel, Prime Minister of the U.K., described this phenomenon of a prime minister's pledges and commitments of Parliament's own actions and decisions. Condemning parliamentary pledges, Sir Robert Peel said:

I own that abstractedly, and on general principles, I object to pledge the House prospectively to the adoption of any particular course at a future period. I have uniformly objected to the course. I can scarcely recall to my recollection a single instance in which I have been a party to a pledge that the House would on a future occasion adopt a certain measure.... I object to such a course, Because I think it is an improper mode of relieving ourselves from present difficulties to enter into engagements when we are not prepared with measures of practical detail, without the accompaniment of which those engagements cannot be redeemed. The whole history of parliament has a tendency to discourage the hasty adoption of pledges of this nature.

Honourable senators, I have observed very little condemnation of the fact that the Prime Minister committed a vote of Parliament on a whim to a leader of a fringe party. If he had really been brave, why did he not move his ideas as amendments to Bill C-43 on the strength of his own initiative and see how far he would have gotten? Not very far, I would suspect. It is a parliamentary abomination.

Honourable senators, in the past couple years with the Gomery commission much has been said about corruption. This has led Canadians to believe that corruption is always about money and graft and malversation. Corruption in a parliamentary sense has a much deeper and more profound meaning. Corruption in a parliamentary sense means to render proceedings and processes flawed, to render them tainted. The Shorter Oxford English Dictionary defines "corrupt" as:

1. To turn from a sound into an unsound impure condition; to make rotten; to putrefy. 2. To infect, taint...; 3. To render morally unsound; to pervert a good quality; to debase, defile... 4. To induce to act dishonestly or unfaithfully; to make venal... 5. To debase, destroy purity of... 6. To spoil... 7. To become corrupt or putrid; to putrefy, rot, decay.

Honourable senators, parliamentary proceedings have been corrupted and rendered flawed, as have many processes.

Honourable senators, I come to my conclusion by speaking to the issue of confidence, particularly the issue of confidence of the Houses of Parliament in the government of the day. To amplify my point about confidence, I should like to note the reaction of the finance minister to the overhaul of his budget bill, Bill C-43, and the incipient creation of an additional and a new budget bill, Bill C-48 now before us.

In *The Toronto Star* on April 28, 2005, Finance Minister Ralph Goodale responded to the so-called arrangement made by the Prime Minister with Mr. Jack Layton, saying:

This is not an ideal circumstance, this is not my first choice or my preferred choice.

Honourable senators, this is the same minister to whom this bill is directed. The bill is entitled, An Act to authorize the Minister of Finance to make certain payments.

Mr. Goodale, in the same interview with the Toronto Star, continued:

In light of Mr. Harper's decision, we obviously had to make our decisions and that is trying to find a different configuration of support that would allow for the passage of the budget.

Honourable senators, the Prime Minister and the Minister of Finance should go back to "Parliament 101" to reacquaint themselves, if they ever were acquainted, with the proper process of forming and formulating a budget and bringing it to Parliament to ask for support, and the thousands and hundreds of maxims and principles that expect to be adhered to, least of which should be vanity and ambition. I understand human beings are human beings and vanity and ambition are ever present, but it should be bounded and fettered by very important principles.

Honourable senators, the Prime Minister had completely changed the financial requirements and necessities of the government as outlined by the finance minister in the first budget, Bill C-43, and replaced them with financial priorities and necessities of a fourth party in order to maintain power. Honourable supporters on the other side may not see how wrong this is, but this is very, very wrong. The Prime Minister traded the objectives of the government and the finance minister for those of a political party that garnered the least amount of popular vote in the last federal election in order to maintain power.

# • (1710)

Honourable senators, the tragedy of this whole thing is that this Prime Minister has a troop of supporters in the House of Commons and here ready to vote for whatever he puts before them. They do not seem to understand that it is their duty to question and to uphold the principles and, if necessary, condemn what is happening. This chamber should roundly condemn what happened because it is so very wrong.

Honourable senators, I was speaking about the question of confidence. This government, more than any predecessor government — this is one of the reasons I left sitting with my colleagues across the way — has contributed greatly to the corruption of the notion of ministerial responsibility, and also to the public understanding and the current members' understanding of confidence of the house. This government seems to want to reduce the matter of confidence to a single vote on a particular day, and that is not so. If one were to review the actions that took place, and even review the statements of the Minister of Finance, it becomes crystal clear that the House of Commons, not this house, has been existing in a state of want of confidence for many months now, which is extremely wrong and improper.

Honourable senators, in closing, I should like to record two authorities on the question of confidence, particularly Sir Robert Peel. However, before Sir Robert Peel, I should like to quote William Hearn, one of the great minds of the last century, in his book called *The Government of England, its Structure and its Development*, published in 1886.

The Hon. the Speaker: I regret to advise Senator Cools that her 15 minutes have expired.

Senator Cools: Honourable senators, I would require another few minutes and would request leave to continue.

Senator Rompkey: I think there would be general agreement to let Senator Cools conclude in five minutes.

Senator Cools: Honourable senators, I have received more telephone calls from all over the country on this phenomenon of confidence than on just about any other issue in the last many months, and I have spent a lot of time explaining and pointing inquirers to many sources.

In a chapter called "The Controlling Power of Parliament," William Hearn writes:

The confidence of Parliament is usually rather inferred from its conduct than expressed by open declarations.

Honourable senators, the notion was that once a minister or prime minister found himself in a state of non-confidence, he did not hang around to wait for a vote, he resigned. The matter was dealt with, because it was the operation of the house and the general state and condition of the house that informed as to the state of confidence. I am not even too sure that the Governor General knows that today.

Mr. Peel knew a little bit about confidence. He was brought down, and he brought down many governments in his time. He said the following, and this is to be found in the very same book that I mentioned previously:

A declaration of confidence in the executive government on the part of the House of Commons ought neither to be asked for nor given, except in extreme cases. Confidence ought rather to be inferred from the general support the House gives the executive government, from the manner in which it deals with the legislative measures proposed by government, than from any abstract declaration of opinion.

In other words, one looks to understand the state of confidence and non-confidence by the general operation of the House over a period of time, not to just one single day.

In my view, honourable senators — and I say this sincerely—the Liberal Party, as I once thought of it, was a great forerunner of upholding the notion of control of the public purse, and particularly the great commoner himself, none other than Mr. William Gladstone, Liberal Prime Minister of the U.K., who actually formed and articulated many of the principles around these issues. I believe Gladstone was the member who actually moved the motion to establish the first Public Accounts

Committee back in the House of Commons. I could be wrong about that, and I can look it up and confirm it. The extent that the Liberal Party of Canada and the caucus have abandoned all those principles is the extent to which I think a great many Canadians have been extremely disappointed. In any event, as I said before, I do believe that this bill is a parliamentary abomination and an attempt at a very sad and pathetic compromise.

On the question of compromise, Sir Robert Peel also said the following:

I disapprove of compromises. When once they are made, they not only do not gain the confidence of an opponent, but they most certainly lose that of the men who were accustomed to follow and to rely on those who made them.

I hope the Senate committee will do justice with this bill and give it the kind of study and consideration that it properly deserves. I hope that the Senate committee will inquire into the formation of this bill and how it came into being. I hope that it will examine the notion of the financial initiatives of the Crown. I hope that the Senate committee, in doing all of this, will understand that in 1867, when the BNA Act was formed, the Fathers of Confederation intended the Senate to have greater powers in these financial questions than did the House of Lords, and it intended that the Senate would be an inquiring, thinking and functioning body. I invite honourable senators to exercise that role.

Senator Day says the bill ought to go to the committee. I want Senator Day to know that the committee is the servant of the house, not vice versa. The real debate should happen here. I encourage him to uphold those grand old traditions that were articulated by the great commoner. I dare him to stand up to defend them.

Senator Kinsella: Will Senator Cools accept a question?

Senator Cools: Happily.

The Hon. the Speaker: The five minutes that were extended earlier have expired.

Senator Rompkey: I know that the Leader of the Opposition has a serious and profound question to ask, and I would, for one, be glad to entertain it.

Senator Kinsella: Honourable senators, Senator Cools has obviously done a great deal of research into this area. I was wondering whether she canvassed the issue of budget secrecy, which is an important convention. In the circumstance of creating the budget bill now before us, Bill C-48, what guarantee would there be that no insider knowledge would be utilized? As was indicated, the leader of the party that was involved in the negotiation with the Prime Minister is not a member of the cabinet and therefore is not bound by cabinet secrecy. What kind of safeguard would be available in terms of protecting budget secrecy, which is so germane? As we know, and Senator Cools' research might have spoken to this as well, government and ministers have resigned when budget secrecy was breached.

Senator Cools: In my research, which focused on the issues that I mentioned, I was mindful of what I would describe as the question of not just secrecy but the propriety and the protocols that apply when the government is developing its budget. I was mindful as to how those questions were being handled. Mr. Layton, for example, is not a member of the Privy Council, as Mr. Harper is. The system does not anticipate that Mr. Layton would have such a role, whereas the process anticipates that the Leader of the Opposition would — although they say "official," there is only one opposition — at some time or the other be involved in dialogue with the Prime Minister, to be quite frank, at the council level. It worried me a great deal, as did the entire process, but I did not go into the issue of secrecy.

(1720)

For all intents and purposes, Mr. Layton was treated as a credentialed member of Her Majesty's government. That is strictly forbidden and extremely wrong. I find it bothersome, improper and an affront to Parliament. He is not a minister; he cannot be a pseudo minister; and he cannot pretend to be a minister. That does not seem to bother honourable senators on the other side, but it certainly bothers me. Had I been sitting in the other place, I would have questioned the authority as to whether this bill should have been introduced in the House of Commons because it did not originate with a member of Her Majesty's Privy Council or a member of Her Majesty's cabinet.

I see Senator Day smiling, but this is a serious matter and the Senate should undertake a study of the issue. In truth, it seems that these days most Canadians and members of Parliament are unfamiliar with the language of Parliament, and the principles are no longer widely known or understood. Thus, this government can get away with such an action. The Senate should ensure that the method of creation and development of Bill C-48 becomes a part of the record of this place. In that way, the Senate would perform its intended role in matters of the financial initiatives of the Crown because the Senate is a chamber of the Crown.

On motion of Senator LeBreton, debate adjourned.

# CIVIL MARRIAGE BILL

# SECOND READING—DEBATE ADJOURNED

Hon. Serge Joyal moved second reading of Bill C-38, respecting certain aspects of legal capacity for marriage for civil purposes.

He said: Honourable senators, Bill C-38 essentially establishes the legal capacity for persons of the same sex to enter into the institution of civil marriage. By making civil marriage accessible to persons of the same sex, Bill C-38 recognizes that discrimination based on sexual orientation is a form of social exclusion that is degrading to the persons involved and unacceptable in a free and democratic society, based on the constitutional equality of everyone before the law and with equal access to all its benefits. That recognition, as the Supreme Court noted last December, flows from the Canadian Charter of Rights and Freedoms. Bill C-38 is about restoring full human dignity to a minority that has long been the object of persecution, marginalization and outrage. It is an issue of minority rights.

There are three aspects to the speech that I would like to share with honourable senators this afternoon. The first aspect is the constitutional principles underlying the establishment of civil marriage as provided in Bill C-38. The second aspect is the judicial and parliamentary process that led to the introduction of Bill C-38. The third aspect includes the differences between the rule of law and the religious norms pertaining to marriage in our contemporary society.

Honourable senators, the issue of protection of minority rights goes back almost to the first days of Canada. I would remind senators that the Supreme Court of Canada has on many occasions had the opportunity to address the following issue: What is the importance of the protection of minority rights in the Constitution? I would like to quote from the Judicial Committee of the Privy Council in 1932, which established quite clearly the following:

Inasmuch as the Act (The Constitution 1867) embodies a compromise under which the original Provinces agree to federate, it is important to keep in mind that the preservation of the rights of minorities was a condition on which such minorities entered into the federation, and the foundation upon which the whole structure was subsequently erected.

There are two aspects: The foundation of the whole structure of our system of Parliament and, second, the reasons for which the four original parties to the Confederation — the original provinces — joined together to form a new country.

Honourable senators, this is a highly important principle because it was one of the key reasons for judgment in the 1998 Supreme Court ruling in a famous case that many will remember: Reference re Secession of Quebec. When the Supreme Court pronounced on the secession reference issue, it established four underlying constitutional principles for the Constitution of Canada. The first was federalism; the second was constitutionalism; the third was the rule of law; and the fourth was the protection of minorities. I would quote the Supreme Court, 1998, in respect of the four underlying principles. Paragraph 80 of the decision states:

We emphasize that the protection of minority rights is itself an independent principle underlying our Constitutional order. The principle is clearly reflected in the *Charter's* provisions for the protection of minority rights.

Paragraph 81 of the decision states:

The concern of our courts and governments to protect minorities has been prominent in recent years, particularly following the enactment of the *Charter*. Undoubtedly, one of the key considerations motivating the enactment of the *Charter*, and the process of constitutional judicial review that it entails, is the protection of minorities...Indeed, the protection of minority rights was clearly an essential consideration in the design of our constitutional structure even at the time of Confederation...The principle of protecting minority rights continues to exercise influence in the operation and interpretation of our Constitution.

Honourable senators, it is clear that the protection of minority rights is central to the nature of our system of government and the structure of our Parliament. Honourable senators are well aware that the Senate was structured to provide for the protection of minorities. For instance, as you know, at the time of Confederation, Quebec was the only province provided with 24 senatorial districts, to protect the English-speaking minorities in Quebec, which were of a different faith than the majority of the French-speaking population.

• (1730)

We know that. Our appointments to the Senate reflect that when we are called by the Governor General; it is under a specific district, contrary to the nine other provinces.

Honourable senators, this was clearly mentioned by the Supreme Court of Canada in 1980 in a famous ruling called the Senate Reference. It is important to remember that because here in the Senate we have a particular sensitiveness to the plight of minorities in Canada. In fact, in the same secession reference I was quoting earlier, the court mentioned specifically the case of the Aboriginal people. This is, of course, not the subject of today, but the court clearly recognized that, since the enactment of the Charter, Parliament has a special responsibility in the protection of the Aboriginal people. It is paragraph 82 of the Supreme Court ruling. Therefore, honourable senators, this is central; it is the starting point of this bill.

The second element, which is, in my opinion, at the origin of this bill, is the evolutionary nature of the Constitution of Canada. This is a fundamental fact that has been recognized from the time of the Fathers of Confederation to, more recently, the Charter framers — and I was one of those, as were many others in this chamber, including Senator Austin, Senator Corbin, Senator De Bané, Senator Hervieux-Payette, Senator Watt and even our Leader of the Opposition, Senator Kinsella, who appeared before the committee that framed the Constitution. One of the key natures of the Charter is its evolutionary nature. There is no section of the Charter that speaks more eloquently about that than section 15. What is section 15 of the Charter? I will read it, honourable senators, because it is key to the ruling of the Supreme Court of last December. Section 15 reads as follows:

Every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

I want to underline in that list of prohibited grounds of discrimination the word — in particular, in the French version, the corresponding word is "notamment," meaning that those prohibited grounds are illustrative of grounds that are prohibited but there might be others.

In fact, that was the key question of a 1985 parliamentary committee. However, before I go on with that parliamentary committee, I should like to use this opportunity this afternoon to remind honourable senators how we came to draft section 15 of

the Constitution. Some of you were there, especially Senator Corbin. The minutes of a January 28, 1981, committee meeting reveal that Senator Corbin proposed the last version of section 15, which included the second part of section 15, which is the equal right to benefit of the law. At that time, Senator Corbin was a member in the other place, as I was and Senator Austin was already a senator, and there was ample discussion at the committee that we should add to the list of prohibited grounds. In fact, a member of Parliament at the time, Mr. David Crombie, introduced an amendment to include physical or mental disability as a prohibited ground, and we accepted that.

It was at that time a very new prohibited ground. We were coming out of the International Year of Disabled Persons — 1981. As well, an all-party parliamentary committee recommended that that ground be added to the Canadian Human Rights Act. We accepted that ground at the joint committee in 1981.

There were many other proposals to add other prohibited grounds. There were five others, as a matter of fact. One of them was sexual orientation. A discussion took place at the committee. The then Minister of Justice, Jean Chrétien, came to testify on each and every one of those grounds, especially because some of them were issued from the new international instruments — for example, the International Covenant on Civil and Political Rights and the second protocol. There was concern at that time among the committee members that we should try to cover as wide an area as possible, in order that the Charter be as vivid as possible and as much adapted as possible to future situations.

We were wrestling with that. The then Minister of Justice, Mr. Chrétien, said that if we add the five other grounds, we would be accurate for the time but that, 10, 20 or 30 years down the road, there might be other prohibited grounds of discrimination that will appear as being unacceptable to the society of that day. Therefore, he said, it is better to have an open-ended list and leave the court of the day to decide whether, within section 1 of the Constitution, within a free and democratic society, those grounds are acceptable or not. That is how we resolved the issue of section 15 and why section 15 is open-ended.

However, there was a second problem that Parliament has to address. I come back to the special committee. Section 15 was to come into force only three years after the proclamation of the Constitution because it was new law and Parliament was not ready immediately to accept it. There was a delay of three years to allow the federal government to change and amend all the legislation that could be covered by the protection of section 15. What happened? How did Parliament wrestle with that issue of a three-year delay?

Well, I checked my files of the period and I found that the then Minister of Justice, in 1985, Mr. John Crosbie, published a document, a kind of white paper, entitled "Equality Issues in Federal Law: A Discussion Paper." That discussion paper clearly addressed at page 10 the open-ended list of prohibited grounds included in section 15.

What did the Prime Minister of Canada do at that time? The Right Honourable Brian Mulroney established the Parliamentary Committee on Equality Rights, chaired by a very able gentleman, Patrick Boyer, the Etobicoke-Lakeshore MP of the day. I want to remind honourable senators of the names of some of the people who sat on that committee. Mr. Boyer was assisted by Pauline Browse, Maurice Tremblay, Roger Clinch, Mary Collins, Svend Robinson and Sheila Finestone.

The committee published a unanimous report, entitled "Equality for All," at the end of 1985. What did they say about section 15? They said the following: "We have therefore concluded that sexual orientation should be read into the general open-ended language of section 15 of the Charter as a constitutionally prohibited ground of discrimination."

In other words, three years after we voted in section 15, the Parliamentary Committee on Equality Rights, in its unanimous report, published in October 1985, recommended that section 15 be read as including sexual orientation as a prohibited ground of discrimination.

**(1740)** 

What happened following that? It is strange to discover that it took many years for the Parliament of Canada to act on that issue. In fact, I realize that the provinces were much more prone to recognize sexual orientation in their provincial human rights codes than was the Canadian Parliament in relation to the Canadian Human Rights Act. It took 10 years before the federal Parliament amended the Canadian Human Rights Act to give effect to the conclusion of the report of the Equality Rights Committee that I referred to above.

Honourable senators, it is a testimony to the Senate to remember who was instrumental in changing the Canadian Human Rights Act to include sexual orientation as a prohibitive ground of discrimination. The book *Protecting Canadian Democracy* contains a chapter by Professor C.E.S. Franks who was, for 35 years, a professor at Queen's University. He is a very learned expert who has testified many times both in this place and in the other place.

What does Professor Franks say about the role of the Senate in amending the Canadian Human Rights Act? I read from page 174, which states:

Sexual Orientation Bills. The federal legal provisions regarding discrimination on the basis of sexual orientation only exist because of six years of persistent effort on the part of the Senate. After the Ontario Court of Appeal ruled in Haig and Birch that sexual orientation be read into the Canadian Human Rights Act, Senator Kinsella, a Conservative who disagreed with his government's views that this sort of legislation was unnecessary, introduced Bill S-15 into the Senate in order to insert sexual orientation as grounds into the Act.

The chapter then continues. I advise senators to read this because, without the persistence of Senator Kinsella, who introduced his bill three times — under different numbers, such

as Bill S-15, Bill S-2, Bill S-5 — we would have neither the protection in the Canadian Human Rights Act nor the benefits that we enjoy today as Canadians.

Hon. Senators: Hear, hear! Bravo!

SENATE DEBATES

Senator Joyal: Honourable senators, I want to say, in all courtesy, that I informed Senator Kinsella that I would quote from this passage of the book. It is not done at all to embarrass him. On the contrary, I think it is a testimony to this place and we owe it to Senator Kinsella.

I now return to my original point, which is the evolutionary nature of the concept of human rights in Canada. One of the key features of our Constitution is that it is not frozen in time. Our Constitution evolves as much as Canadian society evolves. This essential element was brought back to our mind last December. I would like to quote again the Supreme Court in Reference re Same-Sex Marriage, paragraph 22 of which states:

The "frozen concepts" reasoning runs contrary to one of the most fundamental principles of Canadian constitutional interpretation: that our Constitution is a living tree which, by way of progressive interpretation, accommodates and addresses the realities of modern life.

Honourable senators, there is no more telling example of evolution of the Canadian Constitution in terms of its concepts than the one dealing with the definition of women in the Constitution, as persons, in 1930. This was a fight that again involved the Senate. The government was opposed to reading in the Constitution the word "person" as including women. At that time, the Government of Canada fought, all the way up to the Judicial Committee of the Privy Council, to prevent women from sitting in the Senate. It took the Judicial Committee of the Privy Council to come forward with the famous quote that the Canadian Constitution is a living tree, capable of adaptation to contemporary reality.

Honourable senators, we are dealing here with the concept of marriage. Some might be tempted to see it as a frozen concept — that is, a concept that is defined in time. In reading the debates and the pleadings in the Supreme Court of Canada and in the Judicial Committee of the Privy Council, it was alleged that it was against "natural law" to allow women to exercise public functions that were up to then exclusively and totally occupied by men. It took foresight to be able to understand that contemporary society was open to the full participation of women.

About 10 years later, when the Quebec legislature had to debate the capacity for women to run provincially — and I invite honourable senators to read the brief presented at the committee against the participation of women — once again, there was the same argument of natural law. It was against natural law to pit the wife against the husband by giving the wife the right to vote. That would bring discord and disagreement within the family unit

Some Hon. Senators: Oh, oh!

Senator Joyal: You laugh today about that, but that was the opinion defended in public debate by the Cardinal of the Roman Catholic Church at that time. I say that with the greatest respect

for the opinion of those contenders of that time, but there is a long way to go. It took another 20 years before another woman was elected to the Quebec provincial assembly, Madame Casgrain, in 1961.

Honourable senators, it sometimes takes a long time to come to recognition of a situation that, to date, looks as natural as the sun over the prairie. It is time we recognize that the long evolution of the concept of human rights, once seen as contrary to "natural law," becomes something we live in not only acceptance of but also in praise of. It is interesting to realize that this issue of sexual orientation was recognized by the provinces long before the federal government. The first province to recognize in its human rights code that sexual orientation was a prohibited ground of discrimination was the province of Quebec in 1977, followed almost 10 years later by Ontario in 1986, Manitoba in 1987, Nova Scotia in 1991, New Brunswick and British Columbia in 1992, Saskatchewan in 1993, and then by the federal Canadian Human Rights Act, through the amendments to which I have referred. Newfoundland followed in 1997, P.E.I. in 1998 and Alberta, through the famous *Vriend* case of the Supreme Court of Canada, on April 2, 1998.

Those issues, honourable senators, evolve. They evolve because they are not easy issues with which to grapple. They are emotional issues. Everyone has an opinion on this issue. Everyone has a stamp on this issue. Everyone sees the issue on the basis of his or her own personal experience, personal education and faith. I say that because we live in a society in which those issues are often brought to bear in the deliberations of the courts.

• (1750)

There has not been an issue more litigated in the last four years than the issue of the rights of same-sex couples in relation to marriage. In reviewing the court decisions, I noted that more than 30 Canadian judges have considered the issue. There were four in British Columbia and six in both Ontario and Quebec. In each of Saskatchewan, Yukon, Manitoba, New Brunswick, Newfoundland and Labrador and Nova Scotia there has been one. Those 21 provincial and territorial judges, together with the nine justices of the Supreme Court of Canada, add up to 30 judges at the superior court, Court of Queen's Bench, appeal court and Supreme Court of Canada levels which have considered this issue since 2002. In other words, as my professor would say, the matter has been litigated ad nauseam. There has not been a single court that has not had the opportunity to reflect on this issue on the basis of previous decisions.

In my recollection, there were four key decisions that finally led the government in 2000 to bring forward legislation in relation to same-sex couples. That legislation was the famous Bill C-23, the Modernization of Benefits and Obligations Act that we all remember. Most of the decisions came from the Ontario court system, from either the divisional court or the appeal court. They were the famous cases of *Haig* and, in particular, *Egan*, in which the protection of sexual orientation was read into section 15 of the Charter. There was also the *Rosenberg* case that recognized that same-sex couples were to benefit from some of the provisions of the Income Tax Act. Finally, in 1999, there was the decision of

the Supreme Court of Canada that recognized that the family law of Ontario had to provide equal benefits to same-sex and opposite-sex couples in common-law situations. Following that, in 2000, Parliament enacted the Modernization of Benefits and Obligations Act in relation to same-sex and opposite-sex couples living in a common-law situation.

Honourable senators, in July 2003, the Government of Canada referred its three fundamental questions to the Supreme Court of Canada in relation to the bill that is now under consideration. The first questions was: What is the extension of federal competence in relation to marriage, i.e. section 91(26) of the Constitution? That is to say, what do we mean when the federal Parliament has competence in relation to marriage and divorce?

It is a testament to the Honourable Senator Cools to have petitioned the courts to intervene and to have deposited a very well-articulated factum which I read at that time. I say that to Senator Cools personally. As well, I want it to be on the record. She had a line of thought that was very well articulated. There was an argument there. Although the court did not retain her argument, it was very well presented.

The second question was: What is the relationship between the rule of law and church doctrine? In other words, how can we reconcile a rule of law, an act of Parliament that might seem to enter into a domain that is already defined by church doctrine?

The third question was this: When there is an apparent conflict between two rights, such as the equality rights set out in section 15, and other rights, such as those set out in section 2(a), which deals with freedom of conscience and religion, how do we reconcile the two within the Charter?

The court addressed those three fundamental questions. If the bill is referred to committee through the will of this chamber, I think those issues should be reviewed by the committee. They are key to understanding this decision that would extend the right to civil marriage to persons of the same sex.

There are other aspects that I would like to share with honourable senators. They deal with the kind of difficulty that one faces when reconciling principles that are implemented through a system of civil norms, like the one enshrined in the Charter of Rights and Freedoms, and another system of norms that is of a religious origin. How do we reconcile the two? In my opinion, this bill does not infringe at all on the rights and the capacity of the various churches to continue to maintain their faith, doctrine and teaching as they have up until now. By the way, there are three different denominations in Canada. Thus, there are many different doctrines.

Let me give honourable senators some examples. In 1967, following the report of the Royal Commission on the Status of Women chaired by Ms. Florence Bird, Parliament decided to recognize the equality of men and women. The recommendation was made to establish the relations of spouses in the couple on an equal footing. This was the key change in regard to the nature of marriage. In some churches, the status of the two members was not defined on the basis of full equality the way we understand it in the civil context of today. That was changed in the 1960s. The

church could continue to teach its doctrine. For instance, the Roman Catholic Church, in which I was educated and brought up, continued to teach exactly the same concept as they had always taught, even though in civil society there were fundamental changes to the Civil Code of Quebec that placed the two members of a couple on an equal footing.

When Parliament adopted the Divorce Act in 1968, it was in clear contradiction of one of the essential elements of the definition of religious marriage in the Roman Catholic Church. Why? According to the Roman Catholic Church, one of the key features of marriage is its indissolubility. At the very moment we voted an act of Parliament to provide for divorce, we allowed a change to the nature of a marriage. The same applies to family planning and abortion.

Let us talk about abortion, honourable senators. You know that if abortion was not recriminalized, it was due to the Senate. Some honourable senators might remember voting in 1991. I see our colleague Senator Murray. What happened? The vote was tied 43 to 43. Because it was a tie, there was no recriminalization of abortion. That was due to the Senate of Canada.

We played a significant and important role to establish the kind of system we have today in relation to abortion. Abortion is not only totally legal today, it is covered by health insurance plans.

The same applies to family planning. As honourable senators know, family planning is covered by social measures in all the provinces. That runs contrary to the teachings of my own church that established procreation as one of the key features of marriage.

(1800)

The Hon. the Speaker: Honourable senators, I rise to draw your attention to the fact that it is six o'clock.

Hon. Bill Rompkey (Deputy Leader of the Government): Your Honour, I believe that if you were to seek it, you would find a consensus not to see the clock.

The Hon. the Speaker: Honourable senators, is it agreed not to see the clock?

Hon. Senators: Agreed.

Senator Joyal: Honourable senators, I will try to conclude.

Since 1989, abortion has been free on demand. This is an important element that changed some religious teachings. The Roman Catholic Church did not have to change its faith and doctrine because of that, not at all. The church is protected by section 2(a) of the Charter. The church can decide how to act in the case of a person who is a divorcee; the church will refuse to marry them. A person cannot bring an injunction to court and allege a breach of his or her Charter rights to compel the church to marry that person. A woman cannot go to court to seek an injunction to be admitted into the hierarchical structure of the church, which prevents women from being priests or occupying any of the church positions in its government. The church is protected by religious freedom. This is totally in conformity with

the present Charter of Rights and Freedoms. A church will not be compelled to marry two persons of the same sex any more than they can be compelled to marry a divorcee, which, in the doctrine of the church, is against the nature of marriage.

Honourable senators, I want to illustrate that the norm in civil society evolves. We all know that. We have parents and they lived in particular relationships. They have had faith. They have educated their child or children in conformity with moral principles. Some Canadians do not adhere to any religion. Thus, when we define an institution as marriage, we must define it so that it is open and accessible to all those who wish to benefit from it; all those who wish to state that this is an essential institution in society and that they value marriage.

This bill does not stand against marriage; this bill is about valuing marriage. It is important to understand that. This bill does not compel any of the 33 churches I have quoted to celebrate marriage differently tomorrow than they have before. Honourable senators, 92 per cent of Canadians now have access to civil marriage for same-sex couples; that means all provinces, except Prince Edward Island and Alberta. In the two territories that have not had judgments, the Nunavut minister has stated that he would give way to civil marriage if that would happen. In the Northwest Territories, there is a case in court due to be decided this month.

All the decisions of the provincial and Supreme Court I have referred to have not prevented those churches to refuse to marry same-sex couples. There must be a provision to allow a person who is called to solemnize marriage to refuse, if that is in contradiction with his or her faith. The bill recognizes that. This is the responsibility of the provinces to provide for that protection.

On March 5, the Ontario legislature adopted Bill 171 to protect the commissioner appointed to celebrate or solemnize marriage to refuse to solemnize marriage if that hurts their own personal faith. There is an easy possibility in our system of law for provinces that are responsible, according to section 92(8), to solemnize marriage, to allow civil servants to refuse to celebrate marriage. The protection is there and it is well stated in the various sections and in the preamble of the bill. Some provinces have already acted on it. I have mentioned that Ontario has exercised a leading role through all of the court case decisions that led to the Supreme Court reference of last December.

Honourable senators, in closing, I would like to quote a decision from 1955 of Mr. Justice Taschereau, the famous case of Chaput v. Romain. I am sure my colleague Senator Murray will remember the statement:

In our country there is no state religion. All religions are on an equal footing, and Catholics as well as Protestants, Jews, and other adherents to various religious denominations, enjoy the most complete liberty of thought. The conscience of each is a personal matter and the concern of nobody else. It would be distressing to think that a majority might impose its religious views upon a minority, and it would also be a shocking error to believe that one serves his country or his religion by denying in one Province, to a minority, the same rights which one rightly claims for oneself in another Province.

This is the core of Bill C-38. It is possible that this bill may not be in conformity with your own religious beliefs. This is a simple bill with few clauses. The language is clear and plain, but that is not the issue. The issue is not what is your faith, personally; the issue as a legislator is, in a civil society, where there are so many different Canadians adhering to so many different faiths, some having no faith, all the institutions that define, and that are as important as marriage, should be made accessible. That is the essential question. You will not have to marry someone of the same sex; this bill has nothing to do with that. You will decide the way you want to decide. This bill restores the dignity of persons who might have a different view than you on the essential choice of life.

Bill C-38 is a fundamental bill for us, honourable senators, especially with the history and tradition of this place. I sincerely appeal to your good judgment and to your balanced views in determining minority rights. The Charter contains a significant amount of protection for various minorities. It contains protection for women, for people of different races, for people of different religions and for the Aboriginal people of Canada. The Constitution provides that, which is one of the major changes in the last 25 years. We are in the process of achieving the recognition of that right.

We have gone a long way in the recognition of the rights and dignity of people having probably a different sexual orientation than your own. Honourable senators, this is the right thing to do. As this is a free vote, you will make your decision based on your soul and conscience.

I understand the strong belief and religious conviction that many of us have. However, that is not in contradiction with the objective of this bill.

The Hon. the Speaker: Senator Joyal, I regret to advise that your 45 minutes have expired.

Senator Joyal: Honourable senators, I sincerely hope that in the days to come, you will have a moment to reflect on the decision you will take soon.

Some Hon. Senators: Hear, hear!

• (1810)

Hon. Noël A. Kinsella (Leader of the Opposition): I wonder whether the honourable senator would ask for a little bit more time, such that he might entertain a couple of questions for explication.

Senator Joyal: Honourable senators, I am in a conundrum because I have spoken for more than 45 minutes. I know that food is being served in the library; I do not want to keep anyone here. There are other senators who might want to speak. Maybe I should limit the questioning; otherwise, it might go on for a long time. I trust the honourable senator will not be offended by that.

Hon. Gerry St. Germain: Honourable senators, I rise today to speak at second reading of Bill C-38, respecting certain aspects of

legal capacity for marriage for civil purposes — otherwise known as the proposed civil marriage bill.

This bill has created undoubtedly one of the most polarized debates in our history. However, like Senator Joyal, I, too, urge good judgment and a balanced view on human rights, and a good level of civility in this debate. This is a debate about faith, about how one sees the world from a different perspective — and I believe and hope that it will be a free vote.

Perhaps Senator Austin can enlighten me as to whether there will be a free vote on this bill.

There are two entrenched views in Canada today as to what marriage really constitutes. I hope, as do most Canadians, that the Senate will vigorously study Bill C-38 in depth at committee by holding extensive hearings of expert witnesses. This bill is not a matter to be fast-tracked through the Senate debate process. It is not a matter that can be properly considered by Committee of the Whole. As a matter of fact, we possibly should have been travelling on this issue.

If the Senate has to sit throughout the summer and into the fall to ensure a comprehensive hearing, then so be it, because it goes to the fundamental core of what it means to be a Canadian to deal with this particular piece of legislation.

What is before us honourable senators is undoubtedly the most important subject to come before this place in quite some time. Honourable senators, in my preliminary review of this bill, two issues present themselves immediately: first, the issue of human rights, and second, the issue of religious freedom.

I do know that Bill C-38 is the government's response to a legislative vacuum in the area of recognizing in law the union of homosexual couples. Last fall, the Supreme Court affirmed that Parliament has the authority to legislate over the civil institution of marriage. On the crucial question of whether restricting the definition of marriage to the union of a man and a woman is constitutional, the Supreme Court was silent. The court implied that it is up to Parliament to rectify this situation.

The government has said that extending the right to civil marriage for same-sex couples is an affirmation of Canada's commitment to protecting minority rights and guaranteeing equality for all, that this proposed legislation will ensure the protection of minority rights and that the government cannot and should not pick and choose whose rights it will defend or ignore.

However, by introducing Bill C-38, the government is attempting to link Charter rights and human rights to the sacrament of marriage. Marriage has nothing to do with Charter rights or human rights, in the view of many of us. This debate is about a political and social policy decision made by the government.

Let me present several reasons why the issue of same-sex marriage is not a human rights issue and why defining the traditional definition of marriage would probably not violate the Charter.

First, no internationally recognized human rights document has ever suggested that there is a right to same-sex marriage. For example, in the Universal Declaration of Human Rights, almost all the rights listed are worded as purely individual rights, rights that everyone shall have or no one shall be denied. However, when it comes to marriage, the declaration says that "men and women of full age, without any limitation due to race, nationality or religion, have the right to marry and to found a family." The use of the term "men and women" here, rather than "everyone," suggests that only traditional opposite-sex marriage is contemplated. The subsequent International Covenant on Civil and Political Rights contains similar language. Attempts to pursue same-sex marriage as an international human rights issue have failed.

In 1998, the European Court of Justice held that "stable relationships between two persons of the same sex are not regarded as equivalent to marriages."

In 1996, the New Zealand Court of Appeal rejected the recognition of same-sex marriages, despite the fact that New Zealand's bill of rights explicitly listed sexual orientation as a prohibited ground for discrimination. When that New Zealand decision was challenged before the United Nations Human Rights Commission as a violation of the International Covenant on Civil and Political Rights, the United Nations Human Rights Commission ruled in 2002 that there was no case for discrimination simply on the basis of refusing to marry homosexual couples.

In fact, to this date, no international human rights body and no national supreme court have ever found that there is a human right to same-sex marriage. The only courts that have found in favour of a right to same-sex marriage are provincial or state level courts in Canada and the United States, respectively.

Therefore, if same-sex marriage is not a basic human right in the sense of internationally recognized human rights laws, is it a violation of the Canadian Charter of Rights and Freedoms? While several provincial courts of appeal have said that it is, we still have not heard from the highest court in the land. In the same-sex reference case, the Supreme Court declined to rule on the constitutionality of the traditional definition of marriage, despite a clear request from the government to answer this question.

Bill C-38 has also made this debate one about religious freedoms. In a *National Post* article written by Lorne Gunter, he summarized the recent cases on this matter very well, saying the following:

Hugh Owen, Chris Kempling, Scott Brockie, Dagmar and Arnost Cepica, and Monsignor John Pereyma Catholic High School — all of these people and institutions are proof that when religious freedom in Canada runs up against fashionable minority rights, religious freedom always loses.

Despite repeated assurances from politicians and learned experts that neither the Charter nor any other Canadian law threatens the right of Canadians to practise their faiths freely, the truth is far different.

...the Roman Catholic bishop of Calgary, who is being hauled before the Alberta Human Rights Commission for having the audacity to tell Calgary Catholics, in an open letter last January, that homosexual marriage is contrary to Catholic teaching, and that the government should act aggressively on that teaching.

...the Knights of Columbus fraternal Catholic order in Port Coquitlam, B.C., which suffered its own human-rights deprivation of late for having the gall to stand up to the gayrights juggernaut.

In 1997, Saskatoon Christian Hugh Owens placed an ad in the Sakatoon Star-Phoenix. It cited only the chapter and verse of four Biblical passages that declare active homosexuality a sin.... Next to these were an equal sign and a drawing of two stickmen holding hands, on which was superimposed a circle with a line through it.

Both the Saskatchewan Human Rights Commission and a federal judge agreed that gays might find such a depiction hateful — particularly the Bible citations. Both decreed Mr. Owens had committed a breach of the provincial rights code, even though that code carries a well-defined protection for religious conscience. The court circumvented the code with a bit of logical sleight-of-hand: All major religions preach peace and love. Mr. Owens' ad was hateful. Therefore it couldn't be religious and didn't qualify for the code's protection.

• (1820)

Scott Brockie, a Toronto printer, refused to print material for a gay and lesbian advocacy group. In 2000, a board of inquiry established by the Ontario Human Rights Commission ruled that Mr. Brockie should have done the work. It ordered him to apologize to the gay group and to pay it \$5,000.

It ruled, Brockie remains free to hold his religious beliefs and to practise them in his home, and in his Christian community," but that he must not apply those beliefs to the practice of his business. In the real world, religious rights take a back seat.

Dagmar and Arnost Cepica owned the Beach View Bed and Breakfast in Stratford, PEI, until they shut it down in 2001 rather than adhere to a human rights ruling that they accept gay guests, contrary to their religious beliefs. Chris Kempling, a school counsellor in B.C., was suspended from his job last year, not because he attacked gay rights in the classroom, but because he wrote letters to the editor of his local paper outlining his views on the nature of homosexuality. Last week, he was suspended again for writing the same paper to oppose same-sex marriage.

In 2002, Pereyma Catholic High School tried to prevent Marc Hall, a 17-year-old senior, from bringing his boyfriend (who was not a student) to the graduation prom. An Ontario judge told them Mr. Hall's right not to be singled out for his orientation trumped Catholic schools' right to enforce church doctrine against the practice of homosexuality.

Honourable senators, I believe that Bill C-38 will produce these real effects: the erosion of the family unit as we know it. It also presents a threat of erosion of the freedom to worship and teach religious beliefs, something being challenged in the courts now, as with Bishop Henry.

Honourable senators, I attempt to live my life as a devout Catholic. That perhaps makes me a bit different. As I told you once, Senator Austin, if I was Jewish I would be an Orthodox Jew. If I was evangelical I would most likely follow Billy Graham. I happen to be a Roman Catholic. Devout may not be the correct word but I sure try at it because I believe in it. I, too, was educated by the Grey Nuns and the Jesuits. They taught me well. We did not have any human rights as Métis. We still have these people living in a Third World condition, and the G8 boys are out there playing drums, worrying about someone else.

I was taught by the Jesuits to follow the teachings of the Pope in Rome, and I believe it is important to read into the record the position of my archbishop, the shepherd that leads my flock. In so doing, I am saying that this is what I believe about the subject matter, fully respectful that I know we live in a free country with divergent views.

I will quote from the letter that the archbishop sent to his flock in the diocese where I live.

Canada's members of Parliament have been engaged in one of the most significant debates of our age — a debate about taking the definition of marriage and reconstructing it as something entirely different.

Marriage has always been respected as an institution existing for the common good of the family and society.

Marriage has always been recognized as the necessary context for raising and educating children, the foundation of future generations. The reality of marriage is that it supersedes politics and man-made laws.

From the perspective of reason, and from a faith perspective as Catholics, we must hold to the definition of marriage as an institution whose natural purpose is the good of the couple and the procreation and education of children.

In the covenant of marriage, a man and a woman not only share a deep love for one another, but also are invited to become partners with God in creating a new human life.

These two aspects — the sharing of love between husband and wife, and the creation and nurturing of life — are inseparable. They make marriage what it is. Some within society, supported by judges and legislators, are trying to turn the debate into a human rights issue, but that is not what marriage is about. As a social institution, marriage is concerned with the common good, not individual rights.

At a recent gathering of the bishops of Western Canada, we shared with each other some of the ways our dioceses might help all of us understand the issues surrounding marriage more thoroughly. One way to increase understanding is to address the claims that are being made in support of redefining marriage, and to show that they are not valid from any point of view based on reason.

I would like to address some of these specific arguments for redefining marriage:

- 1) Tolerance. Changing marriage's definition feels like the fair thing to do, but it is a false tolerance. The procreative potential of marriage is a basic element of what marriage is, and it is not unjust to insist that marriage is a complementary union of a man and a woman. This is not a human rights issue; it is about recognizing the biological basis for the social structure that protects the procreation and nurturing of children in our society.
- 2) The human dignity argument is similar: It says the current law treats people with homosexual attractions as second-class citizens. Now human dignity certainly requires that all people must be treated with respect. It does not mean we must regard a homosexual relationship the same as a marriage, any more than any two other adults living together two friends, for example, or a mother and her daughter are treated as though they are married. The state certainly has the power to authorize social benefits for any of its citizens, without redefining marriage.
- 3) The idea that is also used is that times change and we simply need to keep pace with changing social views.

The archbishop goes on to say:

Indeed, the Supreme Court asserted that it has the right to authorize the government to change the definition of marriage because our Constitution is a living tree.

The honourable senator made reference to that.

Perhaps our Constitution is developing, but the fact of development is not the issue. The question is whether the development is legitimate. There must be some standard for determining whether growth builds organically on what is good, in a way consistent with the object's nature. Does an acorn grow into a rose? No, it becomes an oak. In the same way, any development in the legal definition of marriage must be consistent with the stable reality of marriage and the family, in which children are brought into the world and nurtured.

4) The statement of "live and let live" is also argued. We are told the courts are not imposing their religious beliefs on us, and we should not impose ours on others. This misstates the case, however. The assertion that a marriage is a relationship between a man and a woman is not primarily a religious position. It is evident to people of all faiths and of no faith. It is based upon reason before it is based upon any faith.

5) We are assured that there is no threat to religious leaders since they are not forced to perform these proposed marriages. A reading of the Supreme Court's decision, however, is not as comforting. Even the court's wording suggests there might in future be particular circumstances that could lead to religious officials being compelled to perform these ceremonies. The court does not suggest what those circumstances might be, but the fact that the court itself raised them is troubling.

What is more, some provincial governments are already compelling civil officials to perform these marriages against their conscience or resign. We must also wonder whether assurances made to religious leaders will protect parents who do not want the normalcy of homosexual relationships taught in their schools, as is likely once it is defined as a human right.

6) Finally, we hear the argument that Jesus accepted everyone as he or she was. Like Jesus, we must welcome everyone with unconditional love. We must treat people with homosexual attractions with full dignity and respect. However, Jesus did not teach that any behaviour is acceptable as long as someone wants it. The authentic Jesus called for moral conversion, and repentance. Just as the woman caught in adultery was told to go her way, and not to sin again, true love means to help our brothers and sisters to escape a path that leads nowhere.

(1830)

Honourable senators, I have read this into the record because it was presented to us from the faith aspect of which I am speaking now. I will not read the entire letter, but this past Sunday the archbishop again presented to his parishes a letter that he asked to be read. I have never, ever seen this before in the Catholic Church, and I have been attending church conscientiously for about 65 years. I have never seen them so concerned about an issue and the erosion of their particular position in society. I will read the first part of the letter:

The House of Commons passed Bill C-38 changing the definition of "marriage" in Canadian law.

However, a law cannot change what is inherent to what something is.

An attempt to make such a law renders it ultimately groundless and gives legislators and the judiciary the impossible task of implementing that which lacks what is essential for law's authority.

The government is not capable of changing marriage.

The government did not create marriage, and marriage remains what it is and has always been: the union of one man and one woman for life, for the good of the spouses, for the procreating and raising of children, and for the good of society.

Canadians will continue to marry and to found families, as we always have.

If Bill C-38 becomes law, however, the law will no longer recognize the unique status and benefits that belong to married couples.

We call on our senators to act with the civic responsibility that is theirs: Do not make the same mistake the government has made. Please do not allow this bill to become law!

Honourable senators, I ask you to ponder these points so that you may inform your conscience. As I said earlier, I have never seen, in all the times that I have been involved in issues, anything as polarizing and as divisive. I have spoken about my faith today in this speech, but the points raised are also supported by the evangelical movement and various other groups.

This past weekend I attended Canada Day ceremonies in White Rock and Langley. Numerous people approached me, urging me to take a very strong position on this issue. I indicated to them that I would do my utmost to convince people that this is not a necessary piece of legislation and that we deal with it in a civil way, respecting the position and view of everyone. Therefore, I would ask honourable senators, as this bill will be referred to committee following second reading debate, to let us truly look at this for what it is. Let us not just shunt it aside, because I believe the erosion of the freedom of religion truly exists.

Hon. Jack Austin (Leader of the Government): Honourable senators, my first words are to express my appreciation and profound respect to Senator St. Germain for his deeply held views. He says there is an enormous division in our society over this issue, and that division is an obvious one.

I also want to say how much I respect the address of Senator Joyal to this chamber on this debate this afternoon. It was a tour de force of the issues, the background and the way in which the whole human rights issue has evolved and developed in Canada.

I note for members of this chamber that Senator Joyal, in 1980-81, being a member of the House of Commons, was co-chair of the joint Senate and House of Commons committee on the Constitution, along with Senator Harry Hays, the father of the present Speaker, who represented this chamber. That was, in my view, the most important committee study of issues within anyone's living memory. The issues I refer to are issues of rights, issues of patriation, but profoundly the evolution of Canada's view of its relationship state to citizen and citizen to citizen. As Senator Joyal has noted, Senator Corbin served on that committee for the other place, and I served on that committee representing the Liberal group in the Senate.

Honourable senators, let me ask what I believe is the key question: What is at the core of opposition to the proposed legislation before us, Bill C-38, called informally the civil marriage bill? There are those, such as Senator St. Germain, whose religious beliefs, deeply held I know, cause them to proclaim that same-sex marriage is contrary to God's law and even — not Senator St. Germain but others — that it is an abomination. I have heard that from religious sources. They argue that religious law forbids same-sex marriage, and civil law should have the same position.

While I totally accept the right of any person to hold such belief and conviction for their own behaviour, what is their basis of demanding the same behaviour of all others? Canada is a constitutional democracy with a Parliament whose lower house, the House of Commons, is popularly elected by the free choice of all eligible citizens. The government of the day is responsible to the House of Commons and must maintain its confidence. The popularly elected House of Commons has passed this bill and has presented it to us for review and approval. We must look to the bill on our own judgment as to whether it is good public policy and is supported by the Constitution and by the Charter of Rights.

As I see it, apart from the religious connection, at the core of opposition to equal rights to marriage, whether opposite sex or same sex, is the belief that same-sex marriage is wrong because it will cause harmful results to society. Senator St. Germain also made that argument. However, what is lacking is any evidence to make that case. For example, the U.S. state of Massachusetts has permitted same-sex marriage for a few years now. The search by opponents of same-sex marriage has produced no statistics that there has been any effect on the lives of opposite-sex marriage persons or their children. Opposite-sex marriages have continued and they raise families at the same statistical rate as before. Nor has the divorce rate shown any change. As one commentator noted, the only negative to be found by the study as a result of same sex-marriage being legalized was the added cost of buying a few more wedding gifts.

Admittedly, society is bringing on itself some discomfort to provide all our adult citizens with equality rights under the Charter of Rights. Is it not the case, as the courts in eight provinces and one territory have said, of equal protection and justice for every citizen no matter the sexual orientation and gender identity?

• (1840)

The last constitutional amendment in Canada took effect on April 17, 1985, when section 15 of the Charter of Rights and Freedoms came into force. Enshrined in section 15(1) is the stipulation, as presented by Senator Joyal today, that:

Every individual in Canada is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

In decisions interpreting section 15, the Supreme Court of Canada has added to the prohibited grounds of discrimination and now specifically includes marital status, sexual orientation and Aboriginal place of residence. Our Charter and the Supreme Court of Canada are admired in democratic countries the world over.

Senator Joyal has outlined to us this evening the changes pursued by the court under the "Living Tree Doctrine" of Lord

Sankey with respect to the meaning of words, the meaning of marriage and with respect to the issues of marital status and sexual orientation.

Bill C-38 is designed simply to provide uniformity of rights across Canada. These rights are established under the Charter by the courts of the lands. It is a cardinal principle of good public policy that rights be equal among all members of our society and nation. This goal was sought by the late Prime Minister Diefenbaker when his government sponsored the Bill of Rights as federal legislation. This goal was sought by the late Prime Minister Trudeau and the premiers when they agreed to the constitutionalization of the Charter of Rights and Freedoms.

Some have argued that gay and lesbian people should be content with a civil union that would give them the rights and responsibilities of marriage but would not be marriage under law. Prime Minister Martin has made it clear that the notion of separate but equal arrangements is not equal. There can be but one status to be equal, and that is marriage.

We are aware today as we debate this proposed legislation that under the laws of Belgium, the Netherlands and the most Catholic country of Spain, homosexual couples are on an equal footing with heterosexual couples with respect to the status of marriage.

Some would argue that the proposed legislation is an attack on freedom of religion, which is also protected by the Charter. Nowhere in this bill or in any other legislation is there a requirement or obligation for any religious authority licensed under law to perform marriages when to do so in their judgment would contradict or be hostile to their religious beliefs.

When a marriage is requested to be performed by a person licensed by a province or territory to perform non-religious ceremonies, then of course that person is obliged by their office to perform a marriage ceremony for either heterosexual or homosexual couples, like any other person who has accepted a position of public duty. The duty must be performed, or the person must be relieved of their office for default of public duty. As Senator Joyal said, one province, Ontario, has already moved to amend that public duty in terms of religious conscience.

Many verbal and political gymnastics have been performed by the Leader of the Opposition in the House of Commons and by some of his supporters to evade the simple justice of same-sex marriage and the decision of many of Canada's courts. Stephen Harper refuses to say whether he would use the notwithstanding clause of the Constitution to set aside the rights pronounced by our courts and confirmed to all Canadians by Bill C-38. He refuses to say whether he will seek a referendum on minority rights or even a constitutional amendment to remove these rights. At the same time, he denies that he has a hidden agenda.

Honourable senators, Senator Stratton says this is not a high-level debate. Senator Stratton, these are the facts and these facts are known by Canadians.

Senator Stratton: I will quote the facts back to you.

Senator Austin: I would like that.

When he does speak, Mr. Harper makes the most egregious comments. What could be more destructive to Canadian democratic values or our sense of national unity than Mr. Harper's suggestion that this proposed law, Bill C-38, is illegitimate because Bloc Québécois members of Parliament are not federalists? Our society includes the democratic right to advocate provincial separation if it is pursued democratically and according to law, including the Clarity Act. Members of the Bloc Québécois are equally members of Parliament with members of the Conservative Party. It is totally apparent that Mr. Harper and many of his supporters have trouble with the concept of equality. In his world, some are clearly more equal than others. As noted, Mr. Harper did find the Bloc equal when he sought to defeat the government on non-confidence votes in the House of Commons.

Honourable senators, allow me to conclude with the final paragraph in a editorial that appeared in *The Globe and Mail* on June 30, 2005:

As the Senate prepares to consider the bill, it is time to celebrate a piece of legislation that reaches out to gay and lesbian couples and tells them, welcome to the club, not just a judicial welcome but a parliamentary welcome. It is a bright day.

Mr. Harper wants Parliament, not the courts, to have the final say. When we pass this bill into law Parliament will have spoken, and that should be the end of it.

Senator Kinsella: Honourable senators, I too wish to rise to participate in the debate at second reading of Bill C-38. I wish to consider the public policy objectives, which the government should have clearly before it, that include three groups of Canadians who should have been attended to in the bill. First, there are men and women who have embraced traditional marriage. Second, there is the need to achieve equal benefit of the law for all, irrespective of sexual orientation. Third, there is the need to recognize other forms of permanent, domestic, economic relations.

This bill provided an opportunity for the Government of Canada and Parliament to examine all three domestic relationships, and all are very different. The dichotomy that has been forced upon us in this debate is quite unfortunate. We had an opportunity, but rather than recognize the needs and design a bill based on a policy that would achieve each of these objectives, the government developed a bill based on an inadequate paradigm. The bill has resulted in dividing the country as well as dividing the members in the other place. Unfortunately, this failure will likely place many same-sex couples in a greater danger of victimization. However, I quickly add that all of us have a responsibility to act to ensure that such acts of discrimination not be acted out.

Honourable senators, the officials of the Department of Justice Canada who helped to develop the model underlying Bill C-38 have ill-served the government. A different model using a more thoughtful paradigm could have been developed to achieve the desired objectives of securing the "equal benefit of the law"

guarantees for same-sex couples without abandoning the traditional institution of marriage valued by so many Canadians and without ignoring other kinds of domestic relationships.

(1850)

The fourth choice paradigm that this bill presents, now advanced by the government and the Minister of Justice, is not and has never been the only model available. It was not necessary to divide the country and divide Parliament when a more creative bill could have been drafted that was congruent with the Charter's equal rights' requirements, which I certainly support.

In my analysis of this bill from a human rights perspective, some very important and fundamental questions need to be canvassed. I find the bill inadequate and an insufficient reaction to an issue that requires far more careful, concise and thoughtful consideration.

The need for a legislative regime protecting same-sex couples exemplifies the challenge that many democratic nations face when interests and opinions within a society conflict. Given Canada's significant contributions to the global human rights discourse, we need to insist that our legislation both acknowledges and protects all interests equally. This piece of legislation is a myopic attempt to address the rights of one group without fully canvassing the effect of the bill on groups with juxtaposed freedoms.

There is a fundamental concept in rights' discourse known as the unity of human rights. This conflict reflects the unequivocal universal axiom that all rights and freedoms are equal. In Canada, I hope we have not lost part of our constitutional vernacular. We have forgotten that the Charter is one of both rights and freedoms; and Bill C-38 is a clear example of the degradation of freedoms in favour of a rights-oriented agenda that is being promulgated.

The Charter itself does not distinguish between rights and freedoms; they are incontrovertibly of equal importance and status. This approach is mirrored in the United Nations' instruments — the universal declaration, the covenants to which our honourable friend Senator Joyal drew our attention at the launch of this debate.

Unfortunately, the way Bill C-38 is crafted, it picks favourites by acknowledging the right to only one type of marriage by refusing to define or recognize Canadians' freedom of religion in choosing a traditional definition of marriage. Section 2 of Bill C-38 is clear in that it defines marriage "for civil purposes." It does that only. Honourable senators, such wording begs the obvious question: What is then the definition of marriage for general purposes? We have it for civil purposes; what is it for general purposes? What is the status quo?

The function of the clause, "for civil purposes," is to carve out an exception to the existing definition. It is a qualification. Unfortunately, the drafters have not included any existing definition. You look in vain for one in the bill.

This bill does not include a traditional or base definition. The essential subtext or foundation upon which the protection of same-sex marriage is granted is wholly and conspicuously missing from this bill. This bill creates a legislative lacuna in which a qualification of a definition exists but the base definition does not.

The government has told us what they consider to be "marriage for civil purposes," but they have not explained what marriage in its most basic form is. In this government's eyes, there is only one narrow, legal type of marriage — civil marriage. In an effort perhaps to score political points, in the opinions of some, this bill was hastily drafted to recognize and protect same-sex marriages, yet it has failed to address and therefore to acknowledge and protect the institution in which most Canadians partake — traditional marriage.

This bill should have attempted to finally provide a fair and equitable federal statutory definition of marriage for all Canadians. Instead, we have a bill where it ignores the foundational concept and opts to provide only a definition of marriage for civil purposes.

Honourable senators, I have no objection in principle to the intent of the bill to deal with that second objective. However, at best, Bill C-38 is insufficient and it certainly is vague. At worst, it is woefully inadequate and dangerous as it creates a hierarchy of rights in which a newly recognized definition of marriage is articulated while the core concept for the traditional definition has been completely overlooked.

Honourable senators, the government has thrown the baby out with the bathwater. It was not necessary to abandon the traditional definition of marriage, or to recognize the need, to use the words of the Minister of Justice, to provide at least a declaratory clause that would state an obvious historical fact—that Parliament has recognized and continues to recognize a traditional marriage as the union of a man and a woman. Then to carry on, that notwithstanding what the tradition has been, marriage for civil purposes, and the words—not changing a comma—that are in this bill would at least cover those two objectives, which should have been the objectives from a public policy point of view.

Honourable senators, the government, as I say, has thrown the baby out with the bathwater. We have heard many comments from members of this government indicating that the traditional common law definition of marriage is no longer acceptable, and that it infringes the right to equality under the Charter. Despite this assertion, they have chosen to define only one narrow aspect of marriage, namely marriage for civil purposes. The message to Canadians is clear that acknowledgement of a traditional definition of marriage is not even of passing concern to this government.

The need to update and broaden the definition of marriage to reflect evolving realities created an opportunity to draft a comprehensive bill that could clarify the rights and freedoms of all Canadians. The diverse values of all Canadian should be represented by this bill. Instead, Bill C-38 ignores the standard

common law definition that has existed for hundreds of years. It does not reject or accept it; it is entirely neglected.

One of the overwhelming objections to the bill in the court of public opinion, as I see it, is the fear that religious freedoms will be necessarily curtailed. I ask honourable senators, in light of the fact that this bill completely dismisses the primarily religious institutions that many Canadians value - to which Senator St. Germain has spoken a little while ago and which is a value of immense importance to many Canadians — is this concern not a well-founded one? The risk we run when we endorse inadequate legislative drafting is seen in the future, where a statute contains a qualification of a definition that is not itself contained in the statute will inevitably become a point of contention. It is often only after time has passed and memories have faded that judges are asked to interpret the meaning of a vague or ambiguous phrase. It seems both naive and foolhardy to presume that neglecting the full and complete definition of marriage will not pose immeasurable difficulties in the future. It will be incumbent on any judge faced with this admission to presume that it was Parliament's intent to exclude consideration of the traditional definition of marriage. Such a presumption has far-reaching interpretory implications for the many Canadians who have expressed concern over the potential infringement on freedom of religion. Overcoming this presumption will be extremely onerous. The vocal assurances of the government of the day will be trumped by the principles of statutory interpretation.

• (1900)

Honourable senators, what is missing from this legislation is as important and meaningful as what is included. It is the principle, as honourable senators know, of statutory interpretation; that is, expressio unius est exclusio alterius, or that the express mention of one thing is to the exclusion of another. In other words, if one concept is listed explicitly, the exclusion of another is not by error or by oversight, but the omission has meaning in and of itself.

Canadians' freedom of religion, as it relates to their choice of type of marriage, will necessarily be subordinated to the single insular concept of marriage for civil purposes, as a result of clear statutory interpretation principles that cannot be circumvented. This guiding principle will undoubtedly characterize future discussions on the issue of marriage. This debate is far from over and will be far from over even if the majority that dominates this institution rams it through.

A legislative attempt to recognize same-sex marriage could easily have created a parallel marriage institution while maintaining the traditional definition of marriage. This could have adequately been accomplished by entrenching the traditional definition of marriage in the statute, thus protecting the freedom of religion and conscience for many Canadians. The traditional definition of marriage could have subsequently been followed by a clause indicating, "notwithstanding the traditional definition of marriage, marriage for civil purposes is the union of any two persons." Such a legislative structure does not omit any base definitions, is clear, unambiguous and adequately balances the rights and freedoms of all Canadians. Such a structure would also reflect the current dichotomy of opinion on the subject in

Canadian society today, and such a structure would have been 100 per cent congruent with the advisory opinion of the Supreme Court of earlier in the year.

Honourable senators, it is the obligation of the government to ensure that it discharges its fiduciary duty to all Canadians to protect all rights and freedoms equally. This debate is essentially concerned with the balancing of rights and freedoms that sometimes experience some friction. I will not go so far as to suggest that some rights and freedoms are mutually exclusive or that they even compete or conflict. The inherent difference in the nature of the right to equality versus the freedom of religion creates a position of governments to favour a rights-based agenda. Societies can easily slide into a human rights vacuum where freedoms traditionally considered negative in their nature, because they are generally freedom from or of something, are in danger of being eroded in favour of an ever-increasing list of positive rights to something.

Practically speaking, as we see in Bill C-38, governments can easily articulate a right and, therefore, positive rights such as access to the legal institution of marriage can be legislatively protected and supported in a concrete and programmatic manner. It is not as easy to articulate a negative right, freedom of or freedom from, in a legislative fashion. That does not mean that the obligation is still not there.

Honourable senators, in the present case this articulation is made all the more difficult due to the division of powers under the Constitution of Canada that prevents the federal legislation from encroaching on provincial jurisdiction to perform and solemnize marriages. It is considerably more appealing and practical for governments to simply assert, if they are not actively interfering in the exercise of freedom of religion, that they are sufficiently protecting it.

Bill C-38 represents a telling example of just how facile it is for freedoms to slip by the wayside. Despite the difficulties of the present case and the challenges of protecting a negative freedom, the government must undertake to do more to protect Canadians' freedom of religion. Again, I make reference to the advisory opinion of the Supreme Court, where they spoke to the richness in Canada of freedom of religion. Hopefully, the richness of the court's view will be built upon.

Honourable senators, at the very least, we have an obligation to legislate a definition of marriage that recognizes the prevailing traditions and values of a significant portion of Canadians. To simply assert that a freedom is protected by non-interference is a dangerous governing strategy that has the potential to alienate many citizens who do not feel protected in a concrete or programmatic way. If the nation indeed wishes to avoid creating a hierarchy of human rights and freedoms, then governments must pursue legislative agendas conducive to the recognition and enjoyment of both rights and freedoms. Simply asserting that a government is not interfering in the freedom of religion is an empty assurance to most Canadians and will undoubtedly relegate freedoms to the status of the poor cousin of the rights in the context of our Charter.

The Director of Human Rights at the Kennedy School of Government, Michael Ignatieff, argues persuasively that rights and freedoms are only meaningful if they provide entitlements and immunities to citizens. He states that rights and freedoms are worth having only if they can be enforced against institutions such as the state. Likewise, if citizens are uncomfortable practising their own religion for fear of persecution or stigmatization, the state has not fulfilled its Charter or international obligations to respect the unity of rights by implementing, promoting and protecting all rights and freedoms.

Similarly, human rights theorist Rolf Kunnemann argues that the obligation related to a right or freedom is the obligation of the state to create legal or other mechanisms to respect and protect it. Bill C-38 expressly neglects the perfect opportunity to create a legal definition that would include all aspects of marriage, thus offering the full recognition and protection of the law to all Canadians. Section 15 of the Charter assures that not only will all Canadians be considered equal, but that they must have equal benefit under the law. Bill C-38 has the effect of denying that equal benefit.

Honourable senators, I wanted to draw to your attention what I see as a glaring omission in the bill. I wish to draw your attention to what no doubt is an unintended consequence that can arise when such an omission is acquiesced to. The emergence of new positive rights can supplant negative freedoms because society can, over time, exhibit a tendency to accept what was once an emerging norm as eventually the societal preference of a progressive and tolerant society. While this can enrich and diversify society, it cannot come at the cost of stigmatizing the values and beliefs of others. We must guard against the scenario envisioned in my previous example outlined by Michael Ignatieff.

• (1910)

I would go so far as to suggest that Canada has an especially acute obligation to protect freedom of religion in the context of section 27 of the Charter, the section that guarantees Canadians that their Charter of Rights and Freedoms will be interpreted in a manner consistent and so as to preserve and enhance our multicultural heritage. Any multicultural society, a fortiori, is a multi-faith and multi-confessional society. If Bill C-38 is allowed to promote a rights-based agenda that renders Canadians unable to express their religious values, freedoms of conscience and multicultural heritage will have the effect of perverting the very purpose of the Charter as envisaged by the framers.

The unity of human rights must be preserved. Bill C-38 ought to be rejected for its failure to balance the rights of all Canadians because it refuses to recognize and enrich the values ensconced by the traditional concept of marriage embraced by so many Canadians.

Honourable senators, the bill can be made whole. It seems to me the bill could be made whole and supportable not by excluding any provisions or any words that are in the bill that is now before us but, rather, by adding a new first clause that would be, to use the words of the Minister of Justice, declaratory at the minimum and certainly factual. Such a new first clause would speak to the

recognition by Parliament that the traditional marriage of a man and a woman continues to be recognized in Canada. The current clauses would be simply renumbered, with the current clause 1 being renumbered clause 2, et cetera.

Honourable senators, that would be a way to make this bill whole. It be would be a way to bridge an unfortunate rift that has occurred as a result of what I consider to be the poor model prepared by people in the Department of Justice. It is not necessary. What is necessary is to ensure that all Canadians have the equal benefit and protection of the law.

I could also join in the recollection of how section 15 of the Charter was crafted, the relationship of the Charter to the international instruments, and the open-ended list of prohibited grounds of discrimination. I could also recall how the principle of ejusdem generis is the principle followed by the courts as the years go on and new special status and considerations become important, in particular where people are victimized by discrimination.

Honourable senators, we have an opportunity to make this bill right, if we have the will to do so.

Hon. Lowell Murray: Honourable senators, I wish to ask the Leader of the Opposition why, on several occasions in his speech, he persisted in blaming the drafters for the flaws that he identified in the bill. Surely the drafters were acting on political instructions of the appropriate ministers.

Senator Kinsella: As the honourable senator knows, in the legislative development process, yes, a well-articulated public policy is the way things should start. Indeed, they should start with the development of a policy paper around which there may be some discussion. Part of that occurred through a Commons committee that was chaired by Mr. Scott. That committee travelled the country. However, we did not see the government's position articulated after that committee had done its work.

Yes, drafting instructions are then prepared. There is no doubt that options were made available. Sometimes, the best argument for a given proposal receives strong argumentation, while the alternative positions do not have quite as strong a representation. I agree with the honourable senator. At the end of the day, the decisions are those of the ministers. However, I speak to you of the reality of how this city operates.

Senator Murray: Surely the Leader of the Opposition will agree that the original decision not to appeal the lower court decisions directly to the Supreme Court of Canada and, instead, to send a reference to the Supreme Court of Canada would have been a purely political or policy decision taken by the cabinet. This is a question I wanted to ask either Senator Joyal or Senator Austin, but the moment passed. Thus, my friend will have to bear the burden.

Does the honourable senator not think we would be further ahead if the government, in response to this litigation ad nauseam that Senator Joyal mentioned in his speech, had appealed one of those lower court decisions to the Supreme Court and got a real decision on a real set of facts, rather than a reference seeking an advisory opinion? It was an incomplete opinion since the court declined to answer one of the questions.

Does the honourable senator not also agree that the country would have been spared this unseemly and completely hypothetical argument about whether the notwithstanding clause would need to be used to support the coexistence of equality rights with the "traditional" definition of marriage because the court would have had to answer the question, if there had been an appeal of the lower court decisions?

Senator Kinsella: Honourable senators, I agree with Senator Murray's implication in his question that the government really mismanaged this whole file quite badly. I am afraid that is the case. Obviously, I was not privy to the discussion around the cabinet table, unless Senator Austin wants to share that with us. I would regret very much if some political and partisan considerations were factored in as well.

The opportunity to appeal the matter to the Supreme Court was there, as the honourable senator suggests. It was not taken. What was also not taken was an opportunity to articulate the three categories of families to which I have spoken.

When we look at clause 13 of the bill, we see that it deals with prohibited degrees of marriage. It states:

No person shall marry another person if they are related lineally, or as brother or sister or half-brother or half-sister, including by adoption.

That leads to a couple of interesting questions. One is: What about the equality rights' benefits of two brothers? Should they not have equal benefit of the law? To the extent that people see benefits of the law in terms of things like pensions, insurance, et cetera, why should there be that exclusion?

If there is an argument to maintain a type of prohibited-degrees-of-marriage provision, why do we have that clause? What does it mean? What are the principles upon which it is based? If the principles are based on the old issues in traditional marriage of prohibiting degrees of marriage because of issues of the closeness of genetics, and that it was not in the public interest to have the genetic pool thinned out — if that is the proper terminology — one understood that was the reason behind the provisions of the Criminal Code on issues of consanguinity. If two men or two women participate in civil marriage, I do not understand the rationale of degrees of consanguinity in that kind of a situation. It does not make any sense. Perhaps that issue could be canvassed in committee.

• (1920)

Honourable senators, that totally ignores the issue that I consider to be terribly important, and that is not the issue of traditional marriage group or the same-sex marriage group. There is a large group of Canadians who are involved in domestic economic relationships, whether it is an elderly mother with her daughter or son, or two sisters or two brothers who are totally

dependent economically on each other. We should have an opportunity to address that. I believe that in other countries around the world that are responding to the equality rights issues for persons of same sex, these issues have been totally ignored as well

On motion of Senator Stratton, debate adjourned.

#### ALLOCATION OF TIME FOR DEBATE— NOTICE OF MOTION

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, I rise pursuant to rule 39 to inform the chamber that I have had a discussion with my counterpart, the Deputy Leader of the Opposition, about the disposition of Bill C-38, respecting certain aspects of legal capacity for marriage for civil purposes. It has not been possible to reach an agreement to allocate a specified number of hours and days for the consideration at second reading stage of this bill.

Therefore, I give notice:

That, pursuant to Rule 39, not more than a further six hours of debate be allocated for the consideration of the second reading stage of Bill C-38, respecting certain aspects of legal capacity for marriage for civil purposes.

That when debate comes to an end or when the time provided for the debate has expired, the Speaker shall interrupt, if required, any proceedings then before the Senate and put forthwith and successively every question necessary to dispose of the second reading stage of the said bill; and

That any recorded vote or votes on the said question shall be taken in accordance with the provisions of Rule 39(4).

#### PERSONAL WATERCRAFT BILL

THIRD READING—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Cochrane, seconded by the Honourable Senator Andreychuk, for the third reading of Bill S-12, concerning personal watercraft in navigable waters.—(Honourable Senator Lavigne)

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, there have been indications from several senators on this side that they wish to speak to this bill. I understand that Senator Spivak wishes to move this item, but on my part I believe I have to give senators the chance to speak to the bill.

I will ask that this item stand for today, until such time as those senators have had a chance to speak.

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I wish to bring to the attention of the chamber that we had a fundamental understanding that there was one senator on the Liberal side, as of this afternoon, who wished to speak to this matter. We agree to stand this item providing that the senator will speak this week and we can deal with the bill.

Senator Rompkey: That is agreed.

The Hon. the Speaker: The matter is to stand and I have noted the exchange between house leaders.

Order stands.

[Translation]

# ROYAL CANADIAN MOUNTED POLICE ACT

BILL TO AMEND—SECOND READING—ORDER STANDS

On the Order:

Resuming debate on the motion of the Honourable Senator Nolin, seconded by the Honourable Senator Andreychuk, for the second reading of Bill S-23, to amend the Royal Canadian Mounted Police Act (modernization of employment and labour relations).—(Honourable Senator Andreychuk)

Hon. Jean Lapointe: Honourable senators, I would ask that the matter stand in my name.

[English]

The Hon. the Speaker: This item currently stands in the name of Senator Andreychuk. I believe that Senator Lapointe wishes to have this matter returned to day zero.

Is it agreed, honourable senators, that the request be agreed to?

Hon. A. Raynell Andreychuk: Honourable senators, this item is on day 14. I was planning to ask that this item be returned to day zero tomorrow. Based on the fact that the chamber is otherwise occupied, I would not get your full and undivided attention until we return. That is why I was planning to ask that the matter be returned to day zero.

If my colleague wishes to speak, I have no objection.

The Hon. the Speaker: Honourable senators, I believe the request is that we have this matter begin the time cycle again starting at day zero; is it agreed?

Hon. Senators: Agreed.

Hon. Bill Rompkey (Deputy Leader of the Government): Your Honour, my understanding was that the item would stand in the name of Senator Lapointe; is that correct?

Senator Lapointe: Honourable senators, I had an agreement with Senator Nolin, based on this item being returned to day zero. I had mentioned to him that I would take the adjournment and he totally agreed.

[Translation]

If you ask me when I am going to speak, I can tell you that if this continues, it will be in the third or fourth week of August.

Order stands.

[English]

# STUDY OF ISSUES DEALING WITH RATE OF PRODUCTIVITY

REPORT OF BANKING, TRADE AND COMMERCE COMMITTEE ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator Grafstein, seconded by the Honourable Senator Mahovlich, for the adoption of the fifteenth report of the Standing Senate Committee on Banking, Trade and Commerce, entitled: Falling Behind: Answering the wake-up call. What can be done to improve Canada's productivity performance?, tabled in the Senate on June 22, 2005.—(Honourable Senator Stratton)

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, briefly, the reason I adjourned the debate in my name is to ask our caucus whether or not anyone wished to speak to this issue. None of our honourable senators wish to speak to this matter. As far as our side is concerned, this issue is dealt with.

The Hon. the Speaker: Are honourable senators ready for the question?

Hon. Senators: Question!

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to and report adopted.

• (1930)

#### PROGRESS REPORT ON QUALITY END-OF-LIFE CARE

INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Carstairs, P.C., calling the attention of the Senate to Still Not There. Quality End-of-Life Care: A Progress Report.—(Honourable Senator Oliver)

Hon. Donald H. Oliver: Honourable senators, I would like to join the debate and inquiry set down by Senator Carstairs in which she wants to call the attention of the Senate to Still Not There. Quality End-of-Life care: A Progress Report.

Palliative care is a special kind of health care for individuals and families living with a life-threatening illness, usually at advanced stale stage. The goal of palliative care is to provide the best quality of life for the critically or terminally ill by ensuring their comfort and dignity.

The Canadian Palliative Care Association defines palliative treatment as the "combination of active and compassionate therapies intended to comfort and support individuals and their friends and families who are living with, or dying from, a progressive life-threatening illness, or are bereaved."

I would like to begin by describing how the right to die with dignity and comfort became a public policy issue in the Senate, an issue on which Senator Carstairs has been on the forefront for many years. I will then discuss in detail a major fundraising project in my home province of Nova Scotia, spearheaded by one of Canada's most famous living painters and fellow Nova Scotian, Alex Colville, who, when my mother died in July 1991, gave a very moving tribute to her at the funeral.

Honourable senators, the Senate is often charged with tasks that are deemed to be too litigious or controversial for governments to tackle directly. Historically, the Senate has not been timid in tackling the toughest of public policy issues that affect Canadians.

For instance, in the wake of the Supreme Court decision upholding the prohibition against assisted suicide, the Senate was asked to "examine and report upon the legal, social and ethical issues related to euthanasia and assisted suicide in Canada." For that express purpose, the Senate Special Committee on Euthanasia and Assisted Suicide was created on February 23, 1994.

The committee began its hearings with the expectation that the large majority of the time would be spent on the ethical, social, legal and medical issues that have come to be associated with assisted suicide and euthanasia. However, at the outset of the hearings, it became apparent that a major and unanticipated issue was the question of medical alternatives to assisted suicide and euthanasia.

Some witnesses told that committee that Canadians need better support when approaching death to cope with the circumstances surrounding death and that palliative care could address many of those needs. The result of those hearings was the Senate report entitled *Of Life and Death*, which provided the template to influence Canada's policy toward palliative care in years to come.

Then, in 1999, as part of the Standing Senate Committee on Social Affairs, Science and Technology, Senator Carstairs chaired a special Senate subcommittee authorized by the Senate to update the *Of Life and Death* report. That final report, released in June 2000 and entitled *Quality End-of-life Care: The Right of Every Canadian*, reaffirmed:

...that Canada is founded upon the dignity of the human person as set out in the 1960 Canadian Bill of Rights, and that dignity and worth compels the provision of excellent end-of-life care at a time when each person is at his or her most vulnerable.

Honourable senators, the need for effective and timely palliative care for Canada's most vulnerable citizens remains a pressing public policy issue. It remains a pressing public policy issue because Canada's population is aging and is doing so at an alarming rate.

By 2026, more than 8 million Canadians will be over the age of 65, or approximately 20 per cent of the population. Senior citizens currently account for 75 per cent of all deaths each year. Researchers estimate that there will be a 40 per cent increase in those deaths by the year 2020.

Not only is the Canadian population aging at an alarming rate, but only 15 per cent of Canadians who need access to quality palliative care in this country are receiving it, according to the Canadian Hospice Palliative Care Association. For children, that number drops to 3.3 per cent.

Particularly in my home province of Nova Scotia, there are a number of fundraising initiatives to promote awareness on palliative care across Canada and to raise the funds necessary to try to meet the physical, emotional and spiritual needs of people with life-threatening or terminal illnesses.

In Nova Scotia, this issue is of special concern. While 11.5 per cent of Canadians are over the age of 65, in Nova Scotia the number is 13.5 per cent and increasing rapidly. A 2001 census report indicated that seniors could comprise nearly 25 per cent of Nova Scotia's population by 2015.

Honourable senators, physicians agree that the cornerstone of effective palliative care treatment is a palliative care hospice, a facility designed to provide a caring environment in a home-like atmosphere to supply the physical and emotional needs of the terminally ill.

A hospice should be staffed by professionals, para-professionals and volunteers skilled in palliative care treatment and committed to working as a team to ensure the comfort and dignity of those they serve. Essentially, a hospice attempts to replicate a feeling of home for anyone involved.

**(1940)** 

Currently there are 13 hospices in Canada that provide palliative treatment. Thousands exists throughout the world, especially in the United States, Europe, the United Kingdom, India, Australia, Romania and South Africa. At present, there are no palliative care hospices in Atlantic Canada.

It was for this reason, honourable senators, that the Von Kings Hospice Foundation was formed. The Von Kings Hospice Foundation is chaired by Dr. James Perkins, a long-time resident of Wolfville, Nova Scotia, where I was born, and the former President and Vice-Chancellor of Acadia University in Wolfville.

The foundation's goal is to erect a 10-bed, free-standing, fully equipped hospice in the Valley Regional Hospital site in Kings County, Nova Scotia. The hospice building would be approximately 10,000 square feet and be largely, although not

exclusively, on one floor and would be adequate to house all the planned services and activities. The estimated capital cost of the hospice for construction, equipment and furnishing is between \$1.6 million and \$2 million. The estimated annual operating cost, assuming full occupancy, is \$1.2 million.

The foundation's financial blueprint calls for all monies related to the construction of the hospice to come from the private sector, from private donations, without direct financial assistance from the federal or provincial governments.

In October 2004, the Province of Nova Scotia declared its conditional willingness to meet approximately 50 per cent of the operating costs of the hospice as a pilot project. The foundation believes that if the capital costs can be met strictly through private donations, about 95 per cent of the operating costs could come from public funds.

To date, honourable senators, the hospice has raised nearly \$300,000 through the generosity of Nova Scotians who have made significant private donations and through fundraising events. One of the generous Nova Scotians to which I refer is artist Alex Colville. Over his long career, Alex Colville has received many honours. In 1965, Mr. Colville was commissioned to design the coins commemorating Canada's centennial year. He was made an Officer of the Order of Canada in 1967 and made a Companion of the Order of Canada in 1982. Major retrospectives of his work have been held in the Art Gallery of Ontario in 1983 and the Montreal Museum of Fine Arts in 1994. In 2002, Mr. Colville was honoured with the Governor General's Visual and Media Arts Award.

As a resident of Nova Scotia since 1929, throughout the years Alex Colville has used his notoriety to help support a number of worthy initiatives to enrich the quality of living in my home province. The latest example is a fundraising gala for the Kings County palliative care hospice, where Alex Colville was the guest of honour. It was called "Alex Colville Celebration Event." The gala was held on June 10 of this year in Wolfville and coordinated by the Von Kings Hospice Foundation. It was held in honour of Colville's work to raise awareness of palliative care and the need for a hospice in Nova Scotia. Colville's celebrity status caused the \$200 per head gala dinner at the Old Orchard Inn to be oversubscribed. According to the foundation chair, Jim Perkins, as many as 100 people were turned away at the door.

At the gala, two major financial contributions were announced. First, the Wolfville Rotary Club contributed \$50,000 toward the construction of the hospice.

The gala featured speeches from many notable Nova Scotians, including Dr. Deborah Day, Professor of Education and Vice-Chair of the Von Kings Hospice Board of Directors. Donald Sobey, Chair of the National Gallery of Canada and Chair of Atlantic Alliance Communications, also provided a taped video greeting for the gala. The master of ceremonies was George Jordan, a former radio host of CBC Halifax. Dr. Gail Dinter-Gottlieb, President of Acadia University, and Bob Stead, the Mayor of Wolfville, also brought greetings. Mary Pratt, a former student of Alex Colville while he was a professor at Acadia University, also spoke, as did Alex Colville's son, Graham Colville.

Honourable senators, to the organizers of the Alex Colville Celebration Event, and to the hundreds of attendees who paid tribute to the Nova Scotia painter's humanitarian legacy, the message was clear: With Alex Colville's continuing support behind the initiative, the foundation's 15-year quest for a palliative care hospice in my home province will be realized much sooner than expected.

In conclusion, honourable senators, based on the remarks of the speakers who honoured Alex Colville's legacy of community involvement in Nova Scotia and around the world, there is no question that the gala's official title and theme "The Measure of a Man" was a fitting tribute to Canada's greatest living painter and a great Canadian.

On motion of Senator Rompkey, for Senator Corbin, debate adjourned.

#### BUSINESS OF THE SENATE

Hon. Bill Rompkey (Deputy Leader of the Government): Honourable senators, if Her Honour were to seek the consensus of the chamber, I believe she would find a disposition to stand all other items on the *Order and Notice Paper* in their place until the next sitting.

The Hon. the Speaker pro tempore: Is it agreed, honourable senators?

Hon. Senators: Agreed.

The Senate adjourned until tomorrow at 2 p.m.



# **APPENDIX**

Officers of the Senate

The Ministry

Senators

(Listed according to seniority, alphabetically and by provinces)

Committees of the Senate

### THE SPEAKER

The Honourable Daniel Hays

# THE LEADER OF THE GOVERNMENT

The Honourable Jack Austin, P.C.

## THE LEADER OF THE OPPOSITION

The Honourable Noël A. Kinsella

### OFFICERS OF THE SENATE

### CLERK OF THE SENATE AND CLERK OF THE PARLIAMENTS

Paul Bélisle

# DEPUTY CLERK, PRINCIPAL CLERK, LEGISLATIVE SERVICES

Gary O'Brien

# LAW CLERK AND PARLIAMENTARY COUNSEL

Mark Audcent

## USHER OF THE BLACK ROD

Terrance J. Christopher

#### THE MINISTRY

#### According to Precedence

(July 4, 2005)

The Right Hon. Paul Martin The Hon. Jacob Austin The Hon. Jean-C. Lapierre The Hon. Ralph E. Goodale The Hon. Anne McLellan

The Hon. Lucienne Robillard

The Hon. Stéphane Dion The Hon. Pierre Stewart Pettigrew The Hon. Andy Scott

The Hon. James Scott Peterson The Hon. Andrew Mitchell

The Hon. William Graham The Hon. Albina Guarnieri The Hon. Reginald B. Alcock

The Hon. Geoff Regan The Hon. Tony Valeri The Hon. M. Aileen Carroll The Hon. Irwin Cotler The Hon. Ruben John Efford The Hon. Liza Frulla

The Hon. Giuseppe (Joseph) Volpe The Hon. Joseph Frank Fontana The Hon. Scott Brison The Hon. Ujjal Dosanjh The Hon. Ken Dryden The Hon. David Emerson The Hon. Belinda Stronach

The Hon. Ethel Blondin-Andrew The Hon. Raymond Chan The Hon. Claudette Bradshaw The Hon. John McCallum The Hon. Stephen Owen

> The Hon. Joseph McGuire The Hon. Mauril Bélanger

> The Hon. Carolyn Bennett The Hon. Jacques Saada

The Hon. John Ferguson Godfrey The Hon. Tony Ianno Prime Minister

Leader of the Government in the Senate

Minister of Transport

Minister of Finance Deputy Prime Minister and Minister of Public Safety

and Emergency Preparedness

President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs

Minister of the Environment Minister of Foreign Affairs

Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians

Minister of International Trade

Minister of Agriculture and Agri-Food and Minister of State (Federal Economic Development Initiative for Northern Ontario)

Minister of National Defence

Minister of Veterans Affairs President of the Treasury Board and Minister responsible for the Canadian Wheat Board

Minister of Fisheries and Oceans

Leader of the Government in the House of Commons

Minister of International Cooperation

Minister of Justice and Attorney General of Canada

Minister of Natural Resources

Minister of Canadian Heritage and Minister responsible for Status of Women

Minister of Citizenship and Immigration Minister of Labour and Housing

Minister of Public Works and Government Services

Minister of Health

Minister of Social Development Minister of Industry\_

Minister of Human Resources and Skills Development and Minister responsible for Democratic Renewal

Minister of State (Northern Development)
Minister of State (Multiculturalism)
Minister of State (Human Resources Development)

Minister of National Revenue

Minister of Western Economic Diversification and

Minister of State (Sport)

Minister of the Atlantic Canada Opportunities Agency Minister for Internal Trade, Deputy Leader of the Government in the House of Commons, Minister responsible for Official Languages and Associate Minister

of National Defence Minister of State (Public Health)

Minister of the Economic Development Agency of Canada for the Regions of Quebec and Minister responsible for La Francophonie

Minister of State (Infrastructure and Communities)

Minister of State (Families and Caregivers)

# SENATORS OF CANADA

# ACCORDING TO SENIORITY

(July 4, 2005)

Senator	Designation	Post Office Address
THE HONOURABLE		
	77 0 1	W
	. Vancouver South	
	Nunavut	
Lowell Murray, P.C	. Pakenham	Ottawa, Ont.
C. William Doody	. Harbour Main-Bell Island	St. John's, Nild. & Lab.
Peter Alan Stollery	Bloor and Yonge	Toronto, Ont.
Peter Michael Pitfield, P.C	Ottawa-Vanier	Ottawa, Ont.
	South Shore	
Jerahmiel S. Grafstein	Metro Toronto.	Toronto, Ont.
Anne C. Cools	. Toronto Centre-York	Toronto, Ont.
	. Inkerman	
	. Calgary	
	Lethbridge	
Colin Kenny	Rideau	Ottawa, Ont.
Pierre De Bane, P.C.	De la Vallière	Montreal, Que.
Eymard Georges Corbin	Grand-Sault	Grand-Sault, N.B.
Norman K. Atkins	. Markham	Toronto, Ont.
	Newfoundland and Labrador	
Mira Spivak	. Manitoba	Winnipeg, Man.
	British Columbia	
	Nova Scotia	
Consiglio Di Nino	Ontario	Downsview, Ont.
	Nova Scotia	
Noël A. Kinsella	Fredericton-York-Sunbury	Fredericton, N.B.
	Nova Scotia	
	Ontario	
J. Trevor Eyton	Ontario	Caledon, Ont.
Wilbert Joseph Keon	Ottawa	Ottawa, Ont.
	St. Marys	
J. Michael Forrestall	. Dartmouth and Eastern Shore	Dartmouth, N.S.
Janis G. Johnson	Winnipeg-Interlake	Gimli, Man.
A. Raynell Andreychuk	Regina	Regina, Sask.
Jean-Claude Rivest	Stadacona	Quebec, Que.
Terrance R. Stratton	Red River	St. Norbert, Man.
Marcel Prud'homme, P.C	La Salle	Montreal, Que.
Leonard J. Gustafson	Saskatchewan	Macoun, Sask.
	Saskatchewan	
	Alma	
Pierre Claude Nolin	De Salaberry	Quebec, Que.
Marjory LeBreton	Ontario	Manotick, Ont.
Gerry St. Germain, P.C	Langley-Pemberton-Whistler	Maple Ridge, B.C.
Lise Bacon	De la Durantaye	Laval, Que.
Sharon Carstairs, P.C	Manitoba	Victoria Beach, Man.
Landon Pearson	Ontario	Ottawa, Ont.
John G. Bryden	New Brunswick	Bayfield, N.B.
Rose-Marie Losier-Cool	Tracadie	Bathurst, N.B.

Céline Hervieux-Payette, P.C. William H. Rompkey, P.C. North West River, Labrador North West River, Labrador, North West River, Labrador, Nfild. & Lab. Lorna Miline Peel County Marie-P. Poulin Nord de l'Ontario/Northern Ontario Shirley Maheu Rougemont Sirley Maheu Rougemont Stanhope St./Bluenose Chester, N.S.	Senator	Designation	Post Office Address
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# SENATORS OF CANADA

# ALPHABETICAL LIST

(July 4, 2005)

Senator	Designation	Post Office Address	Political Affiliation
THE HONOURABLE			
Adams, Willie	Nunavut	. Rankin Inlet, Nunavut	Liberal
		Regina, Sask.	
		. Montreal, Que	
		. Toronto, Ont.	
		Vancouver, B.C.	
		Laval, Que	
Baker, George S., P.C	Newfoundland and Labrador	. Gander, Nfld. & Lab	Liberal
Banks, Tommy	. Alberta	. Edmonton, Alta	Liberal
Biron, Michel	Mille Isles	. Nicolet, Que	Liberal
Bryden, John G	New Brunswick	. Bayfield, N.B	. Liberal
Buchanan, John, P.C	. Halifax	. Halifax, N.S.	. Conservative
Callbeck, Catherine S	Prince Edward Island	. Central Bedeque, P.E.I.	. Liberal
		. Vancouver, B.C.	
Carstairs, Sharon, P.C	Manitoba	. Victoria Beach, Man	. Liberal
		. Sainte-Anne, Man	
Christensen, Ione	. Yukon Territory	. Whitehorse, Y.T	. Liberal
Cochrane, Ethel	Newfoundland and Labrador	. Port-au-Port, Nfld. & Lab	. Conservative
		Saulnierville, N.S.	
Cook, Joan	Newfoundland and Labrador	. St. John's, Nfld. & Lab	. Liberal
		Toronto, Ont.	
		Grand-Sault, N.B.	
Cordy, Jane	Nova Scotia	Dartmouth, N.S.	. Liberal
Cowan, James S	Nova Scotia	Halifax, N.S.	. Liberal
Dallaire, Romeo Antonius	Gulf	Sainte-Foy, Que	. Liberal
Day, Joseph A	Saint John-Kennebecasis	Hampton, N.B.	Liberal
		Montreal, Que.	
		Downsview, Ont.	
Doody, C. William		St. John's, Nfld. & Lab	Progressive Conservative
Duck Lillian From	Coalcatel	Charlottetown, P.E.I.	. Liberal
Eggleton Art D.C.	Ontorio	Saskatoon, Sask.	. New Democrat
Eggicion, Art, P.C	Ontario	Toronto, Ont	Companyative
Egithairn Joyce P.C	Lathbridge	Lethbridge, Alta	. Conservative
Ferretti Barth Marica	Penentiany	Pierrefonds, Que.	Liberal
Finnerty Isobel	Ontario	Burlington, Ont.	I ibaral
Fitzpatrick Ross	Okanagan-Similkamaan	Kelowna, B.C.	Liberal
Forrestall I Michael	Dartmouth and the Fastern Shore	Dartmouth, N.S.	Consequative
Fraser Ioan Thorne	De Lorimier	Montreal, Que.	Liberal
Furey George	Newfoundland and Labrador	St. John's, Nfld. & Lab.	Liberal
Gill. Aurélien	Wellington	Mashteuiatsh, Pointe-Bleue, Que	Liberal
Grafstein Jerahmiel S	Metro Toronto	Toronto, Ont.	Liberal
Gustafson Leonard J.	Saskatchewan	Macoun, Sask.	Conservative
Harb, Mac.	Ontario	Ottawa, Ont.	Liberal
Hays, Daniel, Speaker	Calgary	Calgary, Alta.	Liberal
Hervieux-Payette, Céline, P.C.	Bedford	Montreal, Que.	Liberal
Hubley, Elizabeth M	Prince Edward Island	Kensington, P.E.I.	. Liberal
Laffor Mohine C D	Deltich Colombia	North Vancouver, B.C	211 4

Senator	Designation	Post Office Address	Political Affiliation
Inhana India C	W/	0: " :	
Johnson, Jamis G	Vannahaa	. Gimli, Man	. Conservative
Vallahar James Francis D.C.	Ontario	. Montreal, Que.	. Liberal
Veneral Calin	Didago	. Sault Ste. Marie, Ont.	. Conservative
Kenny, Colin	Ottown	Ottawa, Ont.	. Liberal
Vincella Nami A	Endomistan Vanla Cumhum	Ottawa, Ont.	. Conservative
Kinsella, Noel A	th Character Sundary	Fredericton, N.B.	. Conservative
Langinto Joan	Course	. Halifax, N.S.	. Liberal
Lapointe, Jean	Montagrilla	. Magog, Que.	. Liberal
Lavigne, Raymond	Ontario	. Verdun, Que.	Liberal
Lebreton, Marjory	To a dia	. Manotick, Ont.	. Conservative
Mahan Chialan	. Tracadle	. Bathurst, N.B.	. Liberal
Maneu, Shirley	Kougemont	Saint-Laurent, Que.	. Liberal
Manoviich, Francis William .	loronto	. Toronto, Ont.	. Liberal
Massicotte, Paul J	. De Lanaudiere	. Mont-Saint-Hilaire, Que.	. Liberal
McCoy, Elaine	. Alberta	. Calgary, Alta.	. Progressive Conservative
Meighen, Michael Arthur	St. Marys	. Toronto, Ont.	. Conservative
Mercer, Terry M	. Northend Halifax	. Caribou River, N.S.	. Liberal
Merchant, Pana	Saskatchewan	. Regina, Sask	. Liberal
Milne, Lorna	. Peel County	. Brampton, Ont	. Liberal
Mitchell, Grant	Alberta	. Edmonton, Alta	. Liberal
Moore, Wilfred P	Stanhope St./Bluenose	. Chester, N.S.	. Liberal
Munson, Jim	Ottawa/Rideau Canal	. Ottawa, Ont	. Liberal
Murray, Lowell, P.C	Pakenham	. Ottawa, Ont	. Progressive Conservative
Nancy Ruth	Cluny	. Toronto, Ont	. Progressive Conservative
Nolin, Pierre Claude	De Salaberry	. Quebec, Que	. Conservative
Oliver, Donald H	Nova Scotia	. Halifax, N.S.	. Conservative
Pearson, Landon	Ontario	. Ottawa, Ontario	. Liberal
Pépin, Lucie	Shawinegan	. Montreal, Que	. Liberal
Peterson, Robert W	Saskatchewan	. Regina, Sask	. Liberal
Phalen, Gerard A	Nova Scotia	Glace Bay, N.S.	Liberal
Pitfield, Peter Michael, P.C.	Ottawa-Vanier	. Ottawa, Ont	. Independent
Plamondon, Madeleine	The Laurentides	Shawinigan, Oue.	Independent
Poulin, Marie-P	. Nord de l'Ontario/Northern Ontario	Ottawa, Ont	Liberal
Poy, Vivienne	.Toronto	Toronto, Ont	Liberal
Prud'homme, Marcel, P.C	. La Salle	Montreal, Que	Independent
Ringuette, Pierrette	. New Brunswick	Edmundston, N.B.	Liberal
Rivest, Jean-Claude	Stadacona	Ouebec, Oue.	Independent
Robichaud, Fernand, P.C.	. New Brunswick	Saint-Louis-de-Kent, N.B.	Liberal
Rompkey, William H., P.C.	.North West River, Labrador	North West River, Labrador, Nfld. & Lab.	Liberal
St. Germain, Gerry, P.C.	.Langley-Pemberton-Whistler	Maple Ridge, B.C.	Conservative
Sibbeston, Nick G	Northwest Territories	Fort Simpson, N.W.T.	Liberal
Smith, David P., P.C.	.Cobourg	Toronto, Ont.	Liberal
Spivak, Mira	.Manitoba	Winnipeg, Man	Independent
Stollery, Peter Alan	.Bloor and Yonge	Toronto, Ont.	Liberal
Stratton, Terrance R	Red River	St. Norbert, Man.	Conservative
Tardif, Claudette	Alberta	Edmonton, Alta	Liberal
Tkachuk David	Saskatchewan	Saskatoon, Sask	Conservative
Trenholme Counsell Marilyn	New Brunswick	Sackville, N.B.	Liberal
		Kuujjuaq, Que.	

# **SENATORS OF CANADA**

# BY PROVINCE AND TERRITORY

(July 4, 2005)

# ONTARIO—24

Senator	Designation	Post Office Address
THE HONOURABLE		
	Pakenham	
2 Peter Alan Stollery	Bloor and Yonge	Toronto
Peter Michael Pittield, P.C	Ottawa-Vanier	Ottawa
Jeranmiel S. Grafstein	Metro Toronto	
		Toronto
	Rideau	
	Markham	
	Ontario	
John Trevor Evton	Ontario	
	Ottawa St. Marys	
	Ontario	
Landon Pearson	Ontario	Ottowa
Lorna Milne	Peel County	Brampton
Marie-P. Poulin	Northern Ontario	Ottowa
	Toronto	
	Toronto	
	Ontario	
David P. Smith. P.C.	Cobourg	Toronto
Mac Harb	Ontario	
	Ottawa/Rideau Canal	
Art Eggleton, P.C.	Ontario	Toronto
	Cluny	

# SENATORS BY PROVINCE AND TERRITORY

# QUEBEC-24

Senator	Designation	Post Office Address
THE HONOURABLE		
1 Charlie Watt	Inkerman	Kuujjuaq
	De la Vallière	Montreal
3 Jean-Claude Rivest		Quebec
4 Marcel Prud'homme, P.C		Montreal
4 W. David Angus		Montreal
5 Pierre Claude Nolin	De Salaberry	Quebec
6 Lise Bacon	De la Durantaye	Laval
		Montreal
	Rougemont	
	Shawinegan	
	Repentigny	Pierrefonds
12 Serge Joyal, P.C		Montreal
13 Joan Thorne Fraser		Montreal
14 Aurélien Gill	Wellington	Mashteuiatsh, Pointe-Bleue
15 Jean Lapointe	Saurel	Magog
16 Michel Biron	Milles Isles	Nicolet
17 Raymond Lavigne	Montarville	Verdun
18 Paul J. Massicotte	De Lanaudière	Mont-Saint-Hilaire
19 Madeleine Plamondon	The Laurentides	Shawinigan
20 Roméo Antonius Dallaire	Gulf	Sainte-Foy
21		
22		
23		
24		

# SENATORS BY PROVINCE-MARITIME DIVISION

Senator	Designation	Post Office Address
THE HONOURABLE		
2 Gerald J. Comeau 3 Donald H. Oliver 4 John Buchanan, P.C. 5 J. Michael Forrestall 6 Wilfred P. Moore 7 Jane Cordy 8 Gerard A. Phalen 9 Terry M. Mercer	South Shore Nova Scotia Nova Scotia Halifax Dartmouth and the Eastern Shore Stanhope St./Bluenose Nova Scotia Nova Scotia Northend Halifax Nova Scotia	Saulnierville Halifax Halifax Dartmouth Chester Dartmouth Glace Bay Caribou River
	NEW BRUNSWICK—10	
Senator	Designation	Post Office Address
THE HONOURABLE		
2 Noël A. Kinsella 3 John G. Bryden 4 Rose-Marie Losier-Cool 5 Fernand Robichaud, P.C. 6 Joseph A. Day 7 Pierrette Ringuette 8 Marilyn Trenholme Counsell	Grand-Sault Fredericton-York-Sunbury New Brunswick Tracadie Saint-Louis-de-Kent Saint John-Kennebecasis, New Brunsw New Brunswick New Brunswick	. Fredericton . Bayfield . Bathurst . Saint-Louis-de-Kent rick Hampton . Edmundston . Sackville
	PRINCE EDWARD ISLAND—4	1
Senator ·	Designation	Post Office Address
THE HONOURABLE		
1 Catherine S. Callbeck	Prince Edward Island	Central Bedeque

# SENATORS BY PROVINCE-WESTERN DIVISION

# MANITOBA-6

Senator	Designation	Post Office Address
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## THE HONOURABLE

1	Mira Spivak	Manitoba	Winnipeg
2	Janis G. Johnson	Winnipeg-Interlake	Gimli
3	Terrance R. Stratton	Red River	St. Norbert
4	Sharon Carstairs, P.C	Manitoba	Victoria Beach
5	Maria Chaput	Manitoba	Sainte-Anne
6			

# **BRITISH COLUMBIA—6**

Senator	Designation	Post Office Address	

## THE HONOURABLE

Senator

1	Jack Austin, P.C.	Vancouver South	Vancouver
	Pat Carney, P.C		
3	Gerry St. Germain, P.C	Langley-Pemberton-Whistler	Maple Ridge
4	Ross Fitzpatrick	Okanagan-Similkameen	Kelowna
	Mobina S.B. Jaffer		
-			

# SASKATCHEWAN-6

	Senator	Designation	Post Office Address
	THE HONOURABLE		
		Regina	
2	Leonard J. Gustafson	Saskatchewan	Macoun
3	David Tkachuk	Saskatchewan	Saskatoon
4	Pana Merchant	Saskatchewan	Regina
		Saskatchewan	
6	Lillian Eva Dyck	Saskatchewan	Saskatoon

# ALBERTA—6

Designation

Post Office Address

	THE HONOURABLE		
2 3 4 5	Daniel Hays, Speaker Joyce Fairbairn, P.C. Tommy Banks Claudette Tardif Grant Mitchell Elaine McCoy	Lethbridge	Lethbridge Edmonton Edmonton Edmonton

# SENATORS BY PROVINCE AND TERRITORY

# **NEWFOUNDLAND AND LABRADOR—6**

Senator	Designation	Post Office Address
The Honourable		
2 Ethel Cochrane 3 William H. Rompkey, P.C. 4 Joan Cook 5 George Furey	Harbour Main-Bell Island Newfoundland and Labrador North West River, Labrador Newfoundland and Labrador Newfoundland and Labrador Newfoundland and Labrador	Port-au-Port North West River, Labrador St. John's St. John's
	NORTHWEST TERRITORIES	-1
Senator	Designation	Post Office Address
THE HONOURABLE		
Nick G. Sibbeston	Northwest Territories	Fort Simpson
	NUNAVUT—1	
Senator	Designation	Post Office Address
The Honourable		
Willie Adams	Nunavut	Rankin Inlet
	YUKON TERRITORY—1	
Senator	Designation	Post Office Address
THE HONOURABLE		
	Yukon Territory	3771 '. 1

# ALPHABETICAL LIST OF STANDING, SPECIAL AND JOINT COMMITTEES

(As of July 4, 2005)

\*Ex Officio Member

#### ABORIGINAL PEOPLES

Chair: Honourable Senator Sibbeston

Deputy Chair: Honourable Senator St. Germain

Honourable Senators:

Angus,
Austin,
(or Rompkey)
Buchanan,

Christensen, Fitzpatrick, Gustafson, \* Kinsella, (or Stratton) Léger, Pearson.

Peterson,
Sibbeston,
St. Germain,
Watt.

Original Members as nominated by the Committee of Selection

Angus, \*Austin, (or Rompkey), Buchanan, Christensen, Fitzpatrick, Gustafson, \*Kinsella (or Stratton), Léger, Mercer, Pearson, Sibbeston, St. Germain, Trenholme Counsell, Watt

## AGRICULTURE AND FORESTRY

Chair: Honourable Senator Fairbairn

Deputy Chair: Honourable Senator Gustafson

Honourable Senators:

Austin, (or Rompkey) Callbeck, Gill, Gustafson, Hubley, Kelleher,

\* Kinsella, (or Stratton) Mercer, Oliver, Peterson, Tkachuk.

Mitchell,

Original Members as nominated by the Committee of Selection

\*Austin, (or Rompkey), Callbeck, Fairbairn, Gustafson, Harb, Hubley, Kelleher, \*Kinsella (or Stratton), Mahovlich, Mercer, Oliver, Ringuette, Sparrow, Tkachuk.

## BANKING, TRADE AND COMMERCE

Chair: Honourable Senator Grafstein

Deputy Chair: Honourable Senator Angus

Honourable Senators:

Angus,
Austin,
(or Rompkey)
Biron,

Fitzpatrick, Harb, Hervieux-Payette,

Grafstein,

Kelleher,

\* Kinsella,

(or Stratton)

Massicotte,

Meighen, Moore, Plamondon, Tkachuk.

Original Members as nominated by the Committee of Selection

Angus, \*Austin, (or Rompkey), Biron, Fitzpatrick, Grafstein, Harb, Hervieux-Payette, Kelleher, \*Kinsella (or Stratton), Massicotte, Meighen, Moore, Plamondon, Tkachuk.

## ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES

Chair: Honourable Senator Banks

Deputy Chair: Honourable Senator Cochrane

Honourable Senators:

Adams, Angus, Austin.

(or Rompkey)

Buchanan, Christensen. Cochrane, Finnerty,

Gustafson. Kenny. \* Kinsella, (or Stratton)

Lavigne, Milne. Spivak.

Banks,

Original Members as nominated by the Committee of Selection

Adams, Angus, \*Austin, (or Rompkey), Banks, Buchanan, Christensen, Cochrane, Finnerty, Gill, Gustafson, \*Kinsella (or Stratton), Lavigne, Milne, Spivak.

#### FISHERIES AND OCEANS

Chair: Honourable: Senator Comeau

Deputy Chair: Honourable Senator Hubley

Honourable Senators:

Adams, Austin. (or Rompkey)

Comeau, Cowan, Hubley, Johnson, \* Kinsella (or Stratton) Mahovlich, Meighen,

Merchant, Phalen. St. Germain, Watt.

Original Members as nominated by the Committee of Selection

Adams, \*Austin, (or Rompkey), Bryden, Comeau, Cook, Fitzpatrick, Hubley, Johnson, \*Kinsella (or Stratton), Mahovlich, Meighen, Phalen, St. Germain, Watt.

### **FOREIGN AFFAIRS**

Chair: Honourable Senator Stollery

Deputy Chair: Honourable Senator Di Nino

Honourable Senators:

Andreychuk, Austin, (or Rompkey) Carney,

Corbin, De Bané. Di Nino, Downe,

Eyton, Grafstein. \* Kinsella. (or Stratton)

Mahovlich, Prud'homme. Robichaud, Stollery.

Original Members as nominated by the Committee of Selection

Andreychuk, \*Austin, (or Rompkey), Carney, Corbin, De Bané, Di Nino, Downe, Eyton, Grafstein, \*Kinsella (or Stratton), Poy, Prud'homme, Robichaud, Stollery.

#### **HUMAN RIGHTS**

Chair: Honourable Senator Andreychuk

Deputy Chair: Honourable Senator Pearson

Honourable Senators:

Andreychuk,

(or Rompkey)

Austin,

Baker,

Carstairs, Ferretti Barth, Kinsella,

(or Stratton) LeBreton,

Losier-Cool,

Oliver, Pearson,

Pov.

Original Members as nominated by the Committee of Selection

Andreychuk, \*Austin (or Rompkey), Carstairs, Ferretti Barth, \*Kinsella (or Stratton), LaPierre, LeBreton, Oliver, Pearson, Poulin, Poy.

## INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

Chair: Honourable Senator Furey

Deputy Chair: Honourable Senator Nolin

Honourable Senators:

Austin,

(or Rompkey) Banks,

Comeau, Cook,

De Bané, Di Nino,

Day,

Furey, Jaffer,

Kenny,

Keon, Kinsella. (or Stratton)

Massicotte,

Nolin. Poulin, Smith,

Stratton.

Original Members as nominated by the Committee of Selection

\*Austin, (or Rompkey), Banks, Cook, Day, De Bané, Di Nino, Furey, Jaffer, Kenny, Keon, \*Kinsella (or Stratton), Lynch-Staunton, Massicotte, Nolin, Poulin, Robichaud, Stratton.

## LEGAL AND CONSTITUTIONAL AFFAIRS

Chair: Honourable Senator Bacon

Deputy Chair: Honourable Senator Eyton

Honourable Senators:

Andrevchuk, Austin,

(or Rompkey) Bacon,

Cools,

Eyton, Joyal,

\* Kinsella,

(or Stratton) Mercer. Milne.

Mitchell,

Nolin.

Pearson, Ringuette,

Rivest.

Original Members as nominated by the Committee of Selection

Andreychuk, \*Austin, (or Rompkey), Bacon, Cools, Eyton, Joyal, \*Kinsella (or Stratton), Mercer, Milne, Nolin, Pearson, Ringuette, Rivest, Sibbeston.

# LIBRARY OF PARLIAMENT (Joint)

Joint Chair: Honourable Senator Trenholme Counsell

Vice-Chair:

Honourable Senators:

Lapointe, LeBreton, Poy,

Stratton,

Trenholme Counsell.

Original Members agreed to by Motion of the Senate Lapointe, LeBreton, Poy, Stratton, Trenholme Counsell.

#### NATIONAL FINANCE

Chair: Honourable Senator Oliver

Deputy Chair: Honourable Senator Day

Honourable Senators:

\* Austin, (or Rompkey)

Comeau,
Cools,

Day,

Downe, Eggleton,

Ferretti Barth,

Harb,

\* Kinsella, (or Stratton)

Mitchell,

Murray,

Oliver, Ringuette, Stratton.

Original Members as nominated by the Committee of Selection

\*Austin, (or Rompkey), Biron, Comeau, Cools, Day, Ferretti Barth, Finnerty, Harb, \*Kinsella (or Stratton), Mahovlich, Murray, Oliver, Ringuette, Stratton.

# NATIONAL SECURITY AND DEFENCE

Chair: Honourable Senator Kenny

Deputy Chair: Honourable Senator Forrestall

Honourable Senators:

Atkins,

\* Austin, (or Rompkey) Banks. Cordy,

Day, Forrestall, Kenny,

\* Kinsella, (or Stratton) Meighen,

Munson, Nolin.

Original Members as nominated by the Committee of Selection

Atkins, \*Austin, (or Rompkey), Banks, Cordy, Day, Forrestall, Kenny, \*Kinsella (or Stratton), Lynch Staunton, Meighen, Munson.

#### VETERANS AFFAIRS

## (Subcommittee of National Security and Defence)

Chair: Honourable Senator Meighen

Deputy Chair: Honourable Senator Day

Honourable Senators:

(or Rompkey)

Atkins. Austin, Day,

Forrestall, Kenny,

\* Kinsella,

(or Stratton)

Meighen.

# **OFFICIAL LANGUAGES**

Chair: Honourable Senator Corbin

Deputy Chair: Honourable Senator Buchanan

Honourable Senators:

Austin,

(or Rompkey) Buchanan,

Chaput,

Comeau, Corbin,

Jaffer.

\* Kinsella, (or Stratton) Léger, Murray,

Tardif.

Original Members as nominated by the Committee of Selection

\*Austin, (or Rompkey), Chaput, Comeau, Corbin, Jaffer, \*Kinsella (or Stratton), Lavigne, Léger, Meighen, Merchant, St. Germain.

#### RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

Chair: Honourable Senator Smith

Deputy Chair:

Honourable Senators:

Andreychuk,

Cools,

Austin, (or Rompkey) Chaput,

Di Nino,

Fraser, Furey, Jaffer,

Johnson,

Joyal,

\* Kinsella, (or Stratton)

LeBreton,

Maheu,

Milne, Robichaud,

Smith.

Original Members as nominated by the Committee of Selection

Andreychuk, \*Austin, (or Rompkey), Chaput, Cools, Di Nino, Fraser, Furey, Jaffer, Joyal, \*Kinsella (or Stratton), LeBreton, Lynch Staunton, Maheu, Milne, Poulin, Robichaud, Smith.

# SCRUTINY OF REGULATIONS (Joint)

Joint Chair: Honourable Bryden

Vice-Chair:

Honourable Senators:

Baker. Biron, Bryden,

Hervieux-Payette,

Kelleher,

Lynch-Staunton,

Moore, Nolin.

Original Members as agreed to by Motion of the Senate

Baker, Biron, Bryden, Hervieux-Payette, Kelleher, Lynch-Staunton, Moore, Nolin.

#### **SELECTION**

Chair: Honourable Senator Losier-Cool

Deputy Chair: Honourable Senator LeBreton

Honourable Senators:

\* Austin, (or Rompkey)

Bacon,

Carstairs, Comeau, Fairbairn, \* Kinsella, (or Stratton) LeBreton,

Losier-Cool, Rompkey, Stratton, Tkachuk.

Original Members agreed to by Motion of the Senate

\*Austin, (or Rompkey), Bacon, Carstairs, Comeau, Fairbairn, \*Kinsella (or Stratton), LeBreton, Losier-Cool, Rompkey, Stratton, Tkachuk.

# SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

Chair: Honourable Senator Kirby

Deputy Chair: Honourable Senator Keon

Honourable Senators:

\* Austin,

(or Rompkey)

Callbeck, Chaput, Cochrane, Cook. Cordy,

Fairbairn,

Gill,

Johnson.

Keon.

\* Kinsella. (or Stratton) Kirby,

LeBreton,

Trenholme Counsell.

Original Members as nominated by the Committee of Selection

\*Austin, (or Rompkey), Callbeck, Cochrane, Cook, Cordy, Fairbairn, Gill, Johnson, Keon, \*Kinsella (or Stratton), Kirby, LeBreton, Morin, Pépin.

#### TRANSPORT AND COMMUNICATIONS

Chair: Honourable Senator Fraser

Deputy Chair: Honourable Senator Tkachuk

Honourable Senators:

Austin,

Chaput,

(or Rompkey) Carney,

Eyton, Fraser,

Johnson,

\* Kinsella,

(or Stratton) Merchant,

Munson,

Phalen, Tkachuk,

Trenholme Counsell.

Original Members as nominated by the Committee of Selection

\*Austin, (or Rompkey), Baker, Carney, Eyton, Fraser, Gill, Johnson, \*Kinsella (or Stratton), LaPierre, Merchant, Munson, Phalen, Tkachuk, Trenholme Counsell.

## THE SPECIAL SENATE COMMITTEE ON THE ANTI-TERRORISM ACT

Chair: Honourable Senator Fairbairn

**Deputy Chair:** 

Honourable Senators:

Andreychuk,

Austin, (or Rompkey) Day,

Fairbairn, Fraser,

Jaffer,

Joyal, Kelleher,

\* Kinsella, (or Stratton)

Smith.

Original Members as nominated by the Committee of Selection

Andreychuk, \*Austin, P.C (or Rompkey), Day, Fairbairn, Fraser, Harb, Jaffer, Joyal, \*Kinsella (or Stratton), Lynch-Staunton.

# CONTENTS

# Monday, July 4, 2005

PAGE SENATORS' STATEMENTS	Hon. Bill Rompkey         1660           Hon. John G. Bryden         1660           Hon. Anne C. Cools         1660
Live 8 Hon. Mobina S. B. Jaffer	Civil Marriage Bill (Bill C-38)           Second Reading—Debate Adjourned.           Hon. Serge Joyal         1660           Hon. Bill Rompkey         1670           Hon. Noël A. Kinsella         1671           Hon. Gerry St. Germain         1672           Hon. Jack Austin         1674           Hon. Lowell Murray         1675           Allocation of Time for Debate—Notice of Motion.           Hon. Bill Rompkey         1680
Location of Shriners Paediatric Hospital Hon. Marcel Prud'homme. 1657  Removal of Farm Subsidies Hon. Mac Harb 1657  The Honourable Landon Pearson Congratulations on Being Nominated Among Group of 1,000 Women to Receive 2005 Nobel Peace Prize. Hon. John G. Bryden 1658	Personal Watercraft Bill (Bill S-12) Third Reading—Order Stands. Hon. Bill Rompkey 1680 Hon. Terry Stratton 1680  Royal Canadian Mounted Police Act (Bill S-23) Bill to Amend—Second Reading—Order Stands. Hon. Jean Lapointe 1680 Hon. A. Raynell Andreychuk 1680 Hon. Bill Rompkey 1680
ORDERS OF THE DAY  Bill to Authorize Minister of Finance to Make Certain Payments (Bill C-48) Second Reading—Debate Continued. Hon. Joseph A. Day. 1658 Hon. Donald H. Oliver. 1659 Hon. Noël A. Kinsella 1661	Study of Issues Dealing with Rate of Productivity Report of Banking, Trade and Commerce Committee Adopted. Hon. Terry Stratton
	Appendix



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